

By: _____

S.B. No. 1370

A BILL TO BE ENTITLED

AN ACT

relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; making an appropriation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The Edwards Water Authority Act is adopted as follows:

ARTICLE 1. GENERAL PROVISIONS

Sec. 1.01. PURPOSE. The purpose of this Act is to establish an instrumentality for developing and effectuating a regional water management program for the conjunctive use of surface and groundwater within Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson counties.

Sec. 1.02. FINDINGS AND DECLARATION OF POLICY. It is hereby found and declared that the management of waters in Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson counties is necessary to sustain the life and economic viability of the region; that local regulation is necessary for effective use of the resources of the region; that regional cooperation for water research, planning, and resource development,

____.B. No. ____

1 for providing coordinated facilities, and for coordinating waste
2 disposal in critical water supply areas are more effective than
3 isolated efforts on a countywide, city-wide, or smaller scale; that
4 creation of the Edwards Water Authority would advance the
5 established policy of the state to manage the waters of the state
6 consistent with the rights of private property owners, protection
7 of public health and public enjoyment, the propagation and
8 protection of terrestrial and aquatic life, the operation of
9 existing industries, and the economic development of the state; and
10 that use of water in the district for beneficial purposes requires
11 that all reasonable measures be taken to be conservative in water
12 use, to enhance water supply, spring flow, and aquifer recharge, to
13 provide regional drought management, to prevent and abate water
14 pollution, and to reclaim polluted water for beneficial uses.

15 Sec. 1.03. DEFINITIONS. In this Act, unless the context
16 requires a different meaning:

17 (1) "Authority" means the Edwards Water Authority
18 created by this Act.

19 (2) "Average rainfall at Uvalde and San Antonio" means
20 the sum of the rainfall for the last 12 months at the National
21 Weather Service gauge (41-9268-6) located at the Texas A&M Research
22 Experiment Station in Uvalde and at the National Weather Service
23 gauge (41-945-7) located at the San Antonio International Airport.

24 (3) "Board" means the board of directors of the
25 authority.

1 (4) "Commission" means the Texas Water Commission or
2 its successors.

3 (5) "Development board" means the Texas Water
4 Development Board.

5 (6) "Director" means a member of the board.

6 (7) "District" means the territory included in the
7 authority.

8 (8) "Edwards district" or "Edwards districts" means
9 any or all of the following districts: the Edwards Underground
10 Water District, the Kinney County Underground Water Conservation
11 District, and the Uvalde County Underground Water Conservation
12 District.

13 (9) "Groundwater" means water located below the
14 earth's surface within the district but does not mean the underflow
15 of navigable streams.

16 (10) "Person" means any individual, public or private
17 corporation, political subdivision, governmental agency,
18 municipality, copartnership, association, firm, trust, estate, or
19 any other entity whatsoever.

20 (11) "Rule" includes regulation.

21 (12) "Transport of water" means the removal of
22 groundwater from the producing estate's boundaries or the removal
23 of state water from its authorized point of diversion or authorized
24 place of impoundment including the importation of water from
25 outside the district.

____.B. No. ____

1 (13) "Water" means groundwater, percolating or
2 otherwise, lakes, bays, ponds, impounding reservoirs, springs,
3 rivers, streams, creeks, estuaries, marshes, inlets, canals, the
4 Gulf of Mexico within the district, and all other bodies of surface
5 water, natural or artificial, inland or coastal, fresh or salt,
6 navigable or nonnavigable, that are wholly or partially within the
7 district.

8 (14) "Water district" means a river authority, or a
9 water district or authority acting under Article III, Section 52,
10 or Article XVI, Section 59, of the Texas Constitution.

11 (15) "Water diversion" means the removal of state
12 water from a watercourse or impoundment.

13 (16) "Water pollution" means the alteration of the
14 physical, chemical, or biological quality of or the contamination
15 of water that renders the water harmful, detrimental, or injurious
16 to humans, animal life, vegetation, or property or to public
17 health, safety, or welfare or impairs the usefulness or the public
18 enjoyment of the water for any lawful or reasonable purpose.

19 (17) "Water level at Uvalde" means the level in feet
20 above mean sea level calculated as a 10-day moving average at well
21 YP-69-50-302.

22 (18) "Water level at Bexar" means the level in feet
23 above mean sea level calculated as a 10-day moving average at well
24 AY-68-37-203 (J-17).

ARTICLE 2. ADMINISTRATIVE PROVISIONS

Sec. 2.01. CREATION OF AUTHORITY. (a) There is hereby created, pursuant to Article III, Section 52, and Article XVI, Section 59, of the Texas Constitution, a district to be known as the Edwards Water Authority, which shall be a governmental agency and body politic and corporate of the State of Texas. The creation of such district is hereby determined to be essential to the accomplishment of the purposes of the Texas Constitution. A confirmation election shall not be necessary.

(b) Nothing in this Act or in any other Act or law shall be construed as authorizing the authority to levy or collect taxes or assessments or in any way to pledge the credit of the state.

(c) The power to appropriate the use of surface water in the district remains vested in the state. The power to regulate the use of groundwater in the state remains vested in water districts holding the powers granted by Chapter 52, Water Code, or special act. The authority does not regulate the use of groundwater except as necessary under Subsection (b) of Section 3.01 of this Act.

Sec. 2.02. DESCRIPTION. The authority's territory consists of the area inside the boundaries of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson counties. The legislature declares that all the area included in the district will be benefited by the exercise of the powers conferred by this Act.

1 Sec. 2.03. BOARD. (a) The authority's powers, rights,
2 duties, and functions are exercised by a board of directors.

3 (b) The authority shall be governed by a board of directors
4 composed of 15 members.

5 (c) The directors shall be chosen to provide the board with
6 the following composition:

7 (1) three members representing urban interests from
8 San Antonio, the city in the district having the largest population
9 of any city in the district according to the most recent federal
10 census to be appointed by the mayor of that city;

11 (2) one member representing urban interests from the
12 cities of Bexar County other than San Antonio to be appointed by
13 the mayors of those cities;

14 (3) one member representing urban interests from
15 Victoria, the city in the district having the second largest
16 population of any city in the district according to the most recent
17 federal census to be appointed by the mayor of that city;

18 (4) one member representing urban interests to be
19 appointed by the mayors of New Braunfels and San Marcos;

20 (5) one member representing agricultural interests
21 from Bexar County to be appointed by the Commissioners Court of
22 Bexar County;

23 (6) one member representing agricultural interests
24 from Uvalde County to be appointed by the Uvalde County Underground
25 Water Conservation District;

____.B. No. ____

1 (7) one member representing agricultural interests
2 from Medina County to be appointed by the Medina County Underground
3 Water Conservation District;

4 (8) one member representing agricultural interests
5 from Kinney County to be appointed by the Kinney County Underground
6 Water Conservation District;

7 (9) one member representing agricultural interests
8 from Atascosa, Frio, and Wilson counties to be appointed by the
9 Evergreen Underground Water Conservation District;

10 (10) one member representing agricultural interests
11 from Caldwell, Gonzales, and Guadalupe counties to be appointed by
12 the commissioners courts of those counties;

13 (11) one member representing agricultural interests
14 from Karnes, DeWitt, and Goliad counties to be appointed by the
15 commissioners courts of those counties;

16 (12) one member representing agricultural interests
17 from Calhoun, Jackson, and Victoria counties to be appointed by the
18 commissioners courts of those counties; and

19 (13) one member representing industrial interests from
20 Calhoun, Jackson, and Victoria counties to be appointed by the
21 commissioners courts of those counties.

22 (d) The appointments of the directors shall be made within
23 30 days of the effective date of this Act and each year thereafter
24 as required. Where multiple jurisdictions cooperate to appoint
25 directors, ballots shall be furnished to the electors and the

____.B. No. ____

1 resulting appointments verified by the board. Each county has one
2 vote in the case of a joint appointment.

3 Sec. 2.04. QUALIFICATION OF DIRECTORS. To be qualified to
4 be appointed a director, a person must be a qualified voter of the
5 locality which the person represents.

6 Sec. 2.05. TERMS OF DIRECTORS. (a) A director's term of
7 office shall be three years commencing September 1.

8 (b) Selection of directors for the first board shall be made
9 promptly after this Act becomes effective and the initial directors
10 will take office immediately on selection to serve until their
11 successors take office.

12 (c) When a director's office becomes vacant by death,
13 resignation, or removal, the unexpired term shall be filled by
14 appointment as in the case of the initial appointment.

15 (d) To provide for staggered terms, the terms of the initial
16 board of directors shall be as follows:

17 (1) three members representing urban interests from
18 the City of San Antonio with one to serve a term expiring
19 August 31, 1994, one expiring August 31, 1995, and one expiring
20 August 31, 1996;

21 (2) one member representing urban interests from the
22 other cities in Bexar County to serve until August 31, 1994;

23 (3) one member representing urban interests from the
24 City of Victoria to serve until August 31, 1995;

25 (4) one member representing urban interests to be

____.B. No. ____

1 appointed by the mayors of New Braunfels and San Marcos to serve
2 until August 31, 1996;

3 (5) one member representing agricultural interests
4 from Bexar County to expire August 31, 1994;

5 (6) one member representing agricultural interests
6 from Uvalde County to expire August 31, 1995;

7 (7) one member representing agricultural interests
8 from Medina County to expire August 31, 1996;

9 (8) one member representing agricultural interests
10 from Kinney County to expire August 31, 1994;

11 (9) one member representing agricultural interests
12 from Atascosa, Frio, and Wilson counties to expire August 31, 1995;

13 (10) one member representing agricultural interests
14 from Caldwell, Gonzales, and Guadalupe counties to expire
15 August 31, 1996;

16 (11) one member representing agricultural interests
17 from Karnes, DeWitt, and Goliad counties to expire August 31, 1994;

18 (12) one member representing agricultural interests
19 from Calhoun, Jackson, and Victoria counties to expire August 31,
20 1995; and

21 (13) one representing industrial interests from
22 Calhoun, Jackson, and Victoria counties to expire August 31, 1996.

23 Sec. 2.06. BONDS OF DIRECTORS. To qualify for office, each
24 director must:

25 (1) take the oath of office prescribed by Article 16,

____.B. No. ____

1 Revised Statutes;

2 (2) execute a bond in the amount of \$5,000 with a
3 corporate surety authorized to do business in this state
4 conditioned on the faithful performance of the director's duties;
5 and

6 (3) file a copy of the bond with the secretary of
7 state and with the commissioners court of the county from which the
8 director is appointed.

9 Sec. 2.07. MEETINGS AND ACTIONS OF THE BOARD. (a) The
10 board shall meet at least once each year and may meet at any other
11 time provided in its bylaws.

12 (b) A majority of the board constitutes a quorum. Except as
13 may be otherwise provided in this Act, the vote of a majority of a
14 quorum of directors is required for board action.

15 (c) The board shall adopt bylaws at its first meeting or as
16 soon thereafter as possible.

17 Sec. 2.08. ORGANIZATION OF BOARD. (a) The board shall
18 elect from its members a chairman, vice-chairman, secretary, and
19 other officers it deems necessary.

20 (b) The board's bylaws shall prescribe the powers, duties,
21 and procedures for removal from board office of officers that it
22 elects.

23 Sec. 2.09. INTEREST IN CONTRACT. A director who is
24 financially interested in a contract to be executed by the
25 authority for the purchase of property or the construction of

____.B. No. ____

1 facilities shall disclose that fact to the other directors and may
2 not vote on the acceptance of the contract.

3 Sec. 2.10. DIRECTOR'S COMPENSATION. (a) A director is
4 entitled to receive an allowance of \$100 a day and reimbursement
5 for actual and necessary expenses incurred:

6 (1) for each day the director spends attending
7 meetings of the board; and

8 (2) for each day the director spends attending to the
9 business of the authority which is authorized by a resolution of
10 the board.

11 (b) A director is not entitled to receive a per diem
12 allowance for more than 120 days in any one calendar year.

13 Sec. 2.11. GENERAL MANAGER. (a) The board shall employ a
14 general manager for a term and salary set by the board.

15 (b) The general manager is the chief executive officer of
16 the authority. Under policies established by the board, the
17 general manager is responsible to the board for:

18 (1) administering the directives of the board;

19 (2) keeping the authority's records, including minutes
20 of the board's meetings;

21 (3) coordinating with state, federal, and local
22 agencies;

23 (4) developing plans and programs for the board's
24 approval;

25 (5) hiring, supervising, training, and discharging the

____.B. No. ____

1 authority's employees;

2 (6) contracting for or retaining technical,
3 scientific, legal, fiscal, and other professional services; and

4 (7) performing any other duties assigned to the
5 general manager by the board.

6 (c) The board may discharge the general manager on a
7 majority vote of all the qualified directors.

8 Sec. 2.12. MANAGER'S AND EMPLOYEES' BONDS. (a) The general
9 manager and each employee of the authority charged with the
10 collection, custody, or payment of any money of the authority shall
11 execute a fidelity bond. The board shall approve the form, amount,
12 and surety of the bond.

13 (b) The authority shall pay the premiums on the employees'
14 bonds under this section and the directors' bonds under Subdivision
15 (2) of Section 2.06 of this Act.

16 Sec. 2.13. PRINCIPAL OFFICE. The authority shall maintain
17 its principal office inside the district.

18 Sec. 2.14. RECORDS. (a) The authority shall keep complete
19 and accurate accounts of its business transactions in accordance
20 with generally accepted methods of accounting.

21 (b) The authority shall keep complete and accurate minutes
22 of its meetings.

23 (c) The authority shall keep its accounts, contracts,
24 documents, minutes, and other records at its principal office.

25 (d) Neither the board nor its employees shall disclose any

____.B. No. ____

1 records that it has relating to trade secrets or economics of
2 operation of industries or other private enterprises.

3 (e) Except as provided in Subsection (d) of this section,
4 the authority shall permit reasonable public inspection of its
5 records during regular business hours.

6 Sec. 2.15. SEAL. The authority shall adopt a seal, the form
7 of which it may alter from time to time.

8 Sec. 2.16. SUIT. The authority may sue and be sued in its
9 corporate name.

10 Sec. 2.17. SUPPORT OF THE AUTHORITY. (a) The fees required
11 by this section are payable to the authority in the manner and for
12 the purposes provided in this section.

13 (b) Every water district and water utility in the district
14 will pay an assessment to the authority annually. These
15 assessments shall be used first for the general support and
16 management of the authority and then for support of the authority's
17 research, studies, and evaluations. The amount of each assessment
18 shall be determined by the authority based on the cost of
19 operations benefitting each locality.

20 (c) The authority may contract for and receive payments
21 derived from local taxes, fees, or any other source to be spent
22 according to the agreement of the parties.

23 ARTICLE 3. POWERS AND DUTIES.

24 Sec. 3.01. GENERAL POWERS AND DUTIES. (a) The authority
25 shall use its facilities and powers to accomplish the purpose of

1 this Act.

2 (b) The authority shall function with the regulatory powers
3 granted to districts created under Chapter 52, Water Code, and this
4 Act over any territory within the district that is not served by a
5 water district having the regulatory powers granted by Chapter 52,
6 Water Code.

7 (c) The authority shall:

8 (1) conduct studies to determine the feasibility of
9 enhancing spring flows during periods of drought to protect
10 critical natural habitat and to satisfy downstream needs;

11 (2) conduct studies and research for the control of
12 water pollution within the district and cooperate fully with the
13 development board or its successor in any studies of the
14 development board and utilize the results of those studies;

15 (3) conduct studies to determine if elevating the
16 existing dams constructed below the spring discharge area and
17 installing flow control valves to regulate spring discharge rates
18 during periods of high aquifer levels will elevate the water level
19 in the aquifer to create bank storage to make more water available
20 for release during periods of drought;

21 (4) conduct studies to determine if off-channel
22 reservoirs can be constructed to store spring flow discharges
23 during periods of excess flow for use during periods of low flow to
24 satisfy downstream needs;

25 (5) identify all potential sites for recharge

1 structures above the aquifer and make studies to determine the
2 amount of recharge that could occur if these structures were
3 installed;

4 (6) make studies to determine additional techniques or
5 methods that might be used to enhance recharge of the aquifer, such
6 as brush control, precipitation enhancement, import of water from
7 outside the Edwards Aquifer area, or other methods;

8 (7) evaluate the possible water savings that might be
9 achieved by providing technical and financial assistance to
10 irrigators to upgrade their irrigation systems;

11 (8) evaluate the necessary level of spring flow to
12 maintain biological habitat;

13 (9) conduct continuing studies to determine if the
14 activities of man are causing the encroachment of
15 saline-contaminated or otherwise polluted water into the fresh
16 water zone of the aquifer; and

17 (10) conduct any studies and research that the board
18 considers necessary to implement the provisions of this Act.

19 (d) The board may cooperate with and request the assistance
20 of the development board, the United States Geological Survey,
21 local governments, other agencies of the United States government
22 and the State of Texas in implementing the provisions of this Act.

23 (e) At least once each year and at any other time the board
24 considers necessary, the board shall have its staff and the staff
25 of the development board, if necessary, make a complete study of

____.B. No. ____

1 the groundwater situation within the district and determine the
2 water level, rates of withdrawal, amounts of withdrawal, and other
3 relevant information on which to base the authority's water
4 management plan.

5 Sec. 3.02. WATER MANAGEMENT PLAN. (a) On or before August
6 31 of each year the board shall hold a hearing on the authority's
7 water management plan. The plan must consider conjunctive use of
8 surface and groundwater, conservation, drought management,
9 enhancement of spring flow, surface water development, reuse, bays
10 and estuaries, and other matters necessary to implement state
11 policy as directed by Acts of the legislature.

12 (b) In developing the authority's water management plan, the
13 board shall give priority to the proposals of the water districts
14 and local governments within the district.

15 (c) Implementation of the water management plan is the
16 responsibility of individual water districts, the authority when
17 acting in the place of a local water district, water utilities,
18 water permit holders, and local governments in cooperation with the
19 authority or others as is appropriate.

20 (d) The board shall print a summary of its water management
21 plan and furnish copies to any person on request.

22 Sec. 3.03. INSPECTIONS AND INVESTIGATIONS. To carry out
23 technical and other investigations necessary to the implementation
24 of this Act, the board and its agents and employees are entitled to
25 access to all property within the district. All persons entering

____.B. No. ____

1 private property on behalf of the board are required to observe the
2 rules of operation in effect for employees of the owner.

3 Sec. 3.04. HEARINGS. The board may:

4 (1) hold hearings, receive pertinent and relevant
5 proof from any party in interest who appears before the board,
6 compel the attendance of witnesses, make findings of fact and
7 determinations with respect to administering the provisions of this
8 Act; and

9 (2) delegate to one or more of its members or to one
10 or more of its employees the authority to administer oaths and take
11 testimony in any hearing called by the authority or authorized by
12 the authority to be held, but all orders entered shall be made by
13 and in the name of the authority after its official action and
14 attested to by the proper members of the board of directors.

15 Sec. 3.05. COURT REVIEW. (a) A person who is adversely
16 affected by an act or order of the authority is entitled to
17 mediation. If mediation fails to resolve the dispute, a person so
18 affected may sue the authority in district court to set aside the
19 act or order. The suit shall be filed within 60 days after the day
20 on which the act or order took effect or the mediation ended.

21 (b) Venue for suits under Subsection (a) of this section is
22 in any county in the district.

23 Sec. 3.06. AUTHORITY OF WATER DISTRICTS. (a) Taxation of
24 property and regulation of the use of groundwater is vested in
25 properly empowered local governments and water districts. Nothing

____.B. No. ____

1 in this Act confers any power to tax property on the authority.

2 (b) A water district may go in and on public and private
3 property to carry out technical and other investigations necessary
4 to the implementation of this Act. A water district shall transmit
5 the results of its inspections to the authority.

6 Sec. 3.07. DROUGHT MANAGEMENT PLAN. (a) This drought
7 management plan applies only to water in the Edwards and associated
8 limestone formations within the Edwards Underground Water District,
9 Kinney County, Medina County, and Uvalde County.

10 (b) There are five defined stages of drought severity and
11 associated demand reductions. The Edwards districts must begin the
12 implementation of demand reduction measures with Stage I. Each
13 subsequent stage will be declared in progression. The five stages
14 are declared when the preceding 12-month average rainfall at Uvalde
15 and San Antonio is less than 80 percent of the historical annual
16 average at these locations and when the following additional
17 conditions are met:

18 (1) Stage I:

19 (A) when the water level is greater than 870 at
20 Uvalde, the water level is less than 644 at Bexar, the spring flow
21 at San Marcos is less than 110 cfs, and the spring flow at Comal is
22 less than 160 cfs, then Stage I is declared in the Edwards district
23 east of the Bexar/Medina county line;

24 (B) when the water level is less than 870 at
25 Uvalde, the water level is less than 644 at Bexar, the spring flow

____.B. No. ____

1 at San Marcos is less than 110 cfs, and the spring flow at Comal is
2 less than 160 cfs, then Stage I is declared in the Edwards
3 districts.

4 (2) Stage II:

5 (A) when the water level is greater than 870 at
6 Uvalde, the water level is less than 628 at Bexar, the spring flow
7 at San Marcos is less than 80 cfs, and the spring flow at Comal is
8 less than 70 cfs, then Stage II is declared in the Edwards district
9 east of the Bexar/Medina county line;

10 (B) when the water level is less than 870 at
11 Uvalde, the water level is less than 628 at Bexar, the spring flow
12 at San Marcos is less than 80 cfs, and the spring flow at Comal is
13 less than 70 cfs, then Stage II is declared east of the
14 Bexar/Medina County line and Stage I is declared west of the line;

15 (C) when the water level is less than 840 at
16 Uvalde, the water level is less than 644 at Bexar, the spring flow
17 at San Marcos is less than 110 cfs, and the spring flow at Comal is
18 less than 160 cfs, then Stage II is declared in the Edwards
19 districts.

20 (3) Stage III:

21 (A) when the water level is greater than 870 at
22 Uvalde, the water level is less than 612 at Bexar, the spring flow
23 at San Marcos is less than 50 cfs, and the spring flow at Comal is
24 less than 0, then Stage III is declared in the Edwards district
25 east of the Bexar/Medina county line;

____.B. No. ____

1 (B) when the water level is less than 870 at
2 Uvalde, the water level is less than 612 at Bexar, the spring flow
3 at San Marcos is less than 50 cfs, and the spring flow at Comal is
4 less than 0, then Stage III is declared east of the Bexar/Medina
5 county line and Stage I is declared west of the line;

6 (C) when the water level is less than 829 at
7 Uvalde, the water level is less than 628 at Bexar, the spring flow
8 at San Marcos is less than 80 cfs, and the spring flow at Comal is
9 less than 70 cfs, then Stage III is declared in the Edwards
10 districts.

11 (4) Stage IV: when the water level is less than 811
12 at Uvalde, the water level is less than 612 at Bexar, the spring
13 flow at San Marcos is less than 50 cfs, and the spring flow at
14 Comal is less than 0, then Stage IV is declared in the Edwards
15 districts.

16 (5) Stage V: the Edwards districts will declare Stage
17 V when the concentration of total dissolved solids or conductivity
18 in any public water supply well increases to 30 percent above the
19 historical average and exceeds previous maximum concentrations.

20 Sec. 3.08. DEMAND REDUCTIONS IN WATER USE IN THE EDWARDS
21 DISTRICTS. (a) Water users should reduce the volume of water they
22 use based on goals established for each stage and by implementing
23 specific minimum demand reduction measures as described in their
24 user drought management plans.

25 (b) Water purveyors with more than 35 connections are

1 required to achieve reductions of:

- 2 (1) 10 percent in Stage I;
3 (2) 15 percent in Stage II;
4 (3) 25 percent in Stage III;
5 (4) 30 percent in Stage IV; and
6 (5) an amount that assures human health and safety and
7 livestock needs in Stage V.

8 (c) The reduction goal percentage will be applied to the
9 volume pumped by each user in 1984.

10 (d) Irrigators must reduce pumpage to two acre-feet per acre
11 in any 12 consecutive months in Stage V.

12 Sec. 3.09. USER DROUGHT MANAGEMENT PLAN. (a) Water
13 purveyors serving more than 35 connections and individual private
14 well owners who use more than 50,000 gallons per day are required
15 to prepare, adopt, and implement user drought management plans
16 consistent with this Act. All plans must be approved by the
17 appropriate Edwards district. Irrigation users are not required to
18 submit plans.

19 (b) On receiving notification from the Edwards districts
20 that drought response measures are required, users must initiate
21 action according to their approved user drought management plans.
22 They must also enforce use restrictions in their respective service
23 areas or operations.

24 (c) User drought management plans shall include:

- 25 (1) demand reduction measures developed by the

____.B. No. ____

1 purveyor which, when combined with required measures, will achieve
2 the reduction goals of this Act;
3 (2) financial measures which will encourage
4 compliance;
5 (3) ordinances, regulations, or contractual
6 requirements necessary for the purveyor to enforce the plan;
7 (4) provisions for reporting water pumpage; and
8 (5) required demand reduction measures as outlined
9 below.

TABLE 2-2

____.B. No. ____

**REDUCTION GOALS
AND
DEMAND REDUCTION MEASURES**

Stage	Reduction Goal	Essential	Water Utility	Household	Commercial	Industrial
I-Awareness	10%	Fire fighting and medical uses - no restrictions. Voluntary reduction in hydrant flushing and sewer line flushing.	Voluntary system conservation. Voluntary reduction in pressure to 60 psi at point of service. Notify appropriate fire fighting agencies.	Voluntary reduction of use by 10% (includes reduction which may be obtained in other categories).	Voluntary reduction of use by 10% (includes reduction which may be obtained in other categories).	Voluntary reduction of use by 10% (includes reduction which may be obtained in other categories).
II-Watch	15%	Fire fighting and medical uses - no restrictions. Hydrant flushing and sewer line flushing - only on emergency basis	Same as I-Awareness.	Reduce use by 15% (includes reduction achieved in landscape irrigation, swimming pool, aesthetics, and other outdoor categories).	Voluntary reduction of use by 15% (includes reduction achieved by mandatory compliance with landscape irrigation, golf course, swimming pool, aesthetics, and other outdoor categories).	Voluntary reduction of use by 15% (includes reduction achieved by mandatory compliance with landscape irrigation, golf course, swimming pool, aesthetics, and other outdoor categories).
III-Alert	25%	Same as II-Watch.	Same as I-Awareness.	Reduce use by 25% (includes reduction achieved in landscape irrigation, swimming pool, aesthetics, and other outdoor categories).	Voluntary reduction of use by 25% (includes reduction achieved by mandatory compliance with landscape irrigation, golf course, swimming pool, aesthetics, and other outdoor categories).	Voluntary reduction of use by 25% (includes reduction achieved by mandatory compliance with landscape irrigation, golf course, swimming pool, aesthetics, and other outdoor categories).
IV-Risk	30%	Same as II-Watch.	Same as I-Awareness.	Reduce use by 30% (includes reduction achieved in landscape irrigation, swimming pool, aesthetics, and other outdoor categories).	Voluntary reduction of use by 30% (includes reduction achieved by mandatory compliance with landscape irrigation, golf course, swimming pool, aesthetics, and other outdoor categories).	Voluntary reduction of use by 30% (includes reduction achieved by mandatory compliance with landscape irrigation, golf course, swimming pool, aesthetics, and other outdoor categories).
V-Emergency	Additional measures as determined by the district to protect human health and safety and livestock watering.					

TABLE 2-2

B. No. _____

REDUCTION GOALS
AND
DEMAND REDUCTION MEASURES
(Continued)

Stage	Military	Landscape Irrigation Existing Installation	Landscape Irrigation New Installation	Golf Course
I-Awareness	Voluntary reduction of use by 10% (includes reduction which may be obtained in other categories).	Voluntary reduction of irrigation to once every 5 days, and only then between the hours of 8:00 p.m. and 8:00 a.m. Irrigation is permitted at any time with hand-held hose, bucket of 5 gallons or less, or drip irrigation system.	Voluntary reduction of irrigation of new installation to between the hours of 8:00 p.m. and 8:00 a.m. Irrigation is permitted at any time with hand-held hose, bucket of 5 gallons or less, or drip irrigation system.	Voluntary reduction of irrigation to once every 5 days, and only then between the hours of 8:00 p.m. and 8:00 a.m.
II-Watch	Voluntary reduction of use by 15% (includes reduction achieved by mandatory compliance with landscape irrigation, golf course, swimming pool, aesthetics, and other outdoor categories).	Irrigation using individual sprinkler or sprinkler systems is prohibited except on a designated day once every 5 days, and only then between the hours of 8:00 p.m. and 8:00 a.m. Irrigation is permitted at any time with hand-held hose, bucket of 5 gallons or less, or drip irrigation system. Use of treated wastewater or reused water is exempt.	Irrigation of new installation is prohibited except as provided by a permit.	Irrigation limited to once every 5 days, and only then between the hours of 8:00 p.m. and 8:00 a.m. Use of treated wastewater or reused water is exempt.
III-Alert	Voluntary reduction of use by 25% (includes reduction achieved by mandatory compliance with landscape irrigation, golf course, swimming pool, aesthetics, and other outdoor categories).	Landscape irrigation prohibited except with hand-held hose, bucket of 5 gallons or less, or drip irrigation system. Use of treated wastewater or reused water is exempt.	Irrigation of new installation prohibited.	Irrigation of golf course greens and tees limited to once every 5 days, and only then between the hours of 8:00 p.m. and 8:00 a.m. Use of treated wastewater or reused water is exempt.
IV-Risk	Voluntary reduction of use by 30% (includes reduction achieved by mandatory compliance with landscape irrigation, golf course, swimming pool, aesthetics, and other outdoor categories).	Landscape irrigation prohibited, except with treated wastewater or reused water.	Same as III-Alert.	Irrigation is prohibited, except with wastewater or reused water.
V-Emergency	Additional measures as determined by the district to protect human health and safety and livestock watering.			

TABLE 2-2

B. No. _____

REDUCTION GOALS
AND
DEMAND REDUCTION MEASURES
(Continued)

Stage	Power Production	Irrigated Agriculture	Livestock	Swimming Pool, Hot Tub, etc.	Aesthetics (fountains, waterfalls, etc.)	Other Outdoor Uses	Vegetable Gardens
I-Awareness	Voluntary reduction.	Voluntary reduction.	Voluntary reduction.	Filling permitted for new and existing facilities. Draining only permitted onto previous surfaces. Makeup permitted for existing facilities.	Outside and inside - voluntary reduction.	Allowing water to runoff into a gutter, ditch or drain, or failing to repair a controllable leak is prohibited. These actions are defined as "waste." Voluntary reduction in street, driveway, sidewalk, patio, or other paved area washing. Washing personal vehicles - voluntary reduction to assigned irrigation days with hand- held hose (with automatic shut-off nozzle) or bucket.	Voluntary request to limit irrigation to between the hours of 8:00 p.m. and 8:00 a.m.
II-Watch	Same as I- Awareness.	Same as I- Awareness.	Same as I- Awareness.	Same as I-Awareness.	Outside and inside - prohibited, except with reused or recycled water.	Waste prohibited. Washing of streets, driveways, sidewalks, patios, or other paved areas prohibited, except washing for immediate public health and safety. Washing personal vehicles - limited to assigned irrigation day with hand-held hose (with automatic shut-off nozzle) or bucket.	Irrigation using individual sprinklers or sprinkler systems is prohibited, except between the hours of 8:00 p.m. and 8:00 a.m. Irrigation is permitted at any time with hand-held hose, bucket of 5 gallons or less, or drip irrigation system.
III-Alert	Same as I- Awareness.	Same as I- Awareness.	Same as I- Awareness.	Filling permitted for existing facilities, not permitted for new. Draining and makeup - same as I-Awareness.	Same as II-Watch.	Same as II-Watch.	Same as II-Watch.
IV-Risk	Same as I- Awareness.	Irrigation limited to average per irrigated acre of 2 ac-ft/yr.	Same as I- Awareness.	Filling prohibited. Draining and makeup same as I-Awareness.	Outside and inside - prohibited.	Waste prohibited. Street, driveway, sidewalk, patio, and paved area washing - same as II- Watch. Washing personal and commercial vehicles prohibited, except for immediate public health and safety. Commercial facilities for vehicle washing prohibited.	Irrigation limited to between the hours of 8:00 p.m. and 8:00 a.m. with hand-held hose, bucket of 5 gallons or less, or drip irrigation system.
V-Emergency	Additional measures as determined by the district to protect human health and safety and livestock watering.						

9A)
____.B. No. ____

1 (d) Water waste is prohibited in any of the five stages.
2 Water waste is any use which allows water to run off into a gutter,
3 ditch, or drain or the failure to repair a controllable leak.

4 Sec. 3.10. RULES. The Edwards districts shall adopt rules
5 to implement the drought management plans.

6 Sec. 3.11. EMERGENCY FUND. The drought management plan
7 shall include an emergency management fund supported by users of
8 water utilities and industrial users of water from the Edwards
9 Aquifer. The fund shall provide compensation for crop losses
10 necessitated by emergency management of irrigation under the
11 authority's water management plan in times of drought. The fund
12 shall be administered by the development board and may be funded by
13 obligations of the development board supported by the pledge of
14 water user fees.

15 Sec. 3.12. ACQUISITION, CONSTRUCTION, AND OPERATION.

16 (a) The authority may:

17 (1) acquire and provide by purchase, gift, or lease
18 any water development, water supply, or wastewater systems or
19 structures within or outside the district;

20 (2) construct and provide water development, water
21 supply, or wastewater systems or structures within or outside the
22 district;

23 (3) operate and sell systems or structures that it
24 constructs or acquires;

25 (4) contract with any person to operate and maintain

____.B. No. ____

1 any system or structures belonging to the person;

2 (5) contract with any person to train or supervise
3 employees of a system;

4 (6) control, store, and preserve the waters of any
5 rivers and streams for all useful purposes and use, distribute, and
6 sell the same within the boundaries of the district for any such
7 purposes;

8 (7) conserve, preserve, and develop underground waters
9 within the boundaries of the district for all useful purposes and
10 use, distribute, and sell the same for any such purposes subject to
11 regulation by appropriate water districts with the powers granted
12 by Chapter 52, Water Code;

13 (8) acquire water, water supply facilities, and
14 conservation storage capacity within or outside the district from
15 any person, including the state and any of its agencies and
16 subdivisions and the United States government and any of its
17 agencies and subdivisions;

18 (9) act to prevent or aid in the prevention of damage
19 to person or property from the surface waters of the district;

20 (10) act to prevent and to aid in the prevention of
21 soil erosion and flooding within the district;

22 (11) develop the reclamation and drainage of
23 overflowed lands and other lands needing drainage within the
24 boundaries of the district and any facilities in aid thereof; and

25 (12) conserve and develop waters and lands for

____.B. No. ____

1 recreational purposes.

2 Sec. 3.13. CONTRACTS FOR WATER. (a) The authority may
3 contract for, store, and sell water that it acquires or collects.

4 Sec. 3.14. SALE OF WATER AND BY-PRODUCTS. (a) The
5 authority may store and sell water that it acquires or collects.
6 Groundwater acquired by the authority and transported in a
7 watercourse is appropriated for use by the authority. The
8 commission by rule may restrict this appropriation by a factor
9 recognizing evapotranspiration stream losses.

10 (b) Water right holders may contract with the authority for
11 the sale and transport of state water within the district. A
12 contract with the authority is evidence of beneficial use of state
13 water for the purposes of compliance with the Water Code.

14 (c) The transport of water within the district by persons
15 other than the authority is prohibited. The transport of water to
16 points outside the district is prohibited unless corresponding
17 supplies of water are made available for use within the district by
18 the parties being served. Nothing in this subsection restricts the
19 movement of potable water by a utility in its certificated service
20 area.

21 (d) No local government, water utility, or water district
22 located in the district may acquire a water supply outside its
23 boundaries except through contract with the authority.

24 Sec. 3.15. PERMITS FROM TEXAS WATER COMMISSION. (a) For
25 the purpose of maintaining established water quality standards in

291/

____.B. No. ____

1 the bays and estuaries within the district or other lawful purpose,
2 the authority may apply to the commission for water appropriation
3 permits.

4 (b) The authority may apply for water storage or use permits
5 from the commission to store and sell state water.

6 Sec. 3.16. EMINENT DOMAIN. The authority may acquire
7 property of any kind within or outside the district, appropriate
8 for the exercise of its functions, through the exercise of the
9 power of eminent domain under the provisions of Title 52, Revised
10 Statutes, as amended.

11 Sec. 3.17. RELOCATION OF FACILITIES. In the event that the
12 authority, in the exercise of the power of eminent domain or power
13 of relocation or any other power, makes necessary the relocation,
14 raising, rerouting, changing the grade of, or altering the
15 construction of any highway, railroad, electric transmission line,
16 telephone or telegraph properties and facilities, or pipelines, all
17 such necessary relocation, raising, rerouting, change in grade, or
18 alteration of construction shall be accomplished at the sole
19 expense of the authority. The term "sole expense" shall mean the
20 actual cost of such relocation, raising, rerouting, change in
21 grade, alteration of grade, or construction in providing comparable
22 replacement without any enhancement of such facilities after
23 deducting therefrom the net salvage value derived from the old
24 facility.

25 Sec. 3.18. USE OF PUBLIC EASEMENTS. The authority shall

____.B. No. ____

1 have the right, power, and authority to use any and all public
2 roadways, streets, alleys, or public easements within or outside
3 the district in the accomplishment of its purposes, without the
4 necessity of securing a franchise.

5 Sec. 3.19. ACQUISITION AND DISPOSITION OF PROPERTY.

6 (a) The authority may purchase, lease, acquire by gift, maintain,
7 use, and operate property of any kind appropriate for the exercise
8 of its functions.

9 (b) The board may sell to the highest bidder at a public or
10 private sale or may exchange any property or land owned by the
11 authority which is not required to carry out the plans of the
12 authority. Before either a public or a private sale of property or
13 land not required for the authority's plans, the authority shall
14 give notice of the intent to sell by publishing notice once a week
15 for two consecutive weeks in one or more newspapers with general
16 circulation in the district.

17 Sec. 3.20. FACILITIES. The authority may acquire in any
18 lawful manner, construct, extend, improve, maintain, reconstruct,
19 use, and operate any facilities necessary or convenient to the
20 exercise of its powers, rights, duties, and functions.

21 Sec. 3.21. CONTRACTS GENERALLY. (a) The authority may make
22 contracts and execute instruments that are necessary or convenient
23 to the exercise of its powers, rights, duties, and functions. A
24 contract may be for any term not to exceed 50 years.

25 (b) Any construction or repair contract, contract for the

____.B. No. ____

1 purchase of material, equipment, or supplies, or any contract for
2 services, other than technical, scientific, legal, fiscal, or other
3 professional services, shall be awarded to the lowest and best
4 bidder for the contract after publication of a notice to bidders
5 once each week for three consecutive weeks before the date set for
6 awarding the contract if the contract will require an estimated
7 expenditure of more than \$25,000 or if the contract is for a term
8 of more than five years. In the event of an emergency, the
9 authority may let such contracts as are necessary to protect and
10 preserve the public health and welfare or the properties of the
11 authority without such bidding procedures.

12 (c) The notice is sufficient if it states the time and
13 place; when and where the bids will be opened; the general nature
14 of the work to be done; the material, equipment, or supplies to be
15 purchased; or the nonprofessional services to be rendered and
16 states the terms on which copies of the plans, specifications, or
17 other pertinent information may be obtained.

18 (d) Publication of the notice shall be in a newspaper having
19 general circulation in the county or counties in which the contract
20 is to be performed. In addition to publishing notice in a
21 newspaper having general circulation, the notice may also be
22 published in any other appropriate publication.

23 (e) Anyone desiring to bid on the construction of any work
24 advertised as herein provided shall on written application to the
25 board be furnished with a copy of the plans and specifications or

____.B. No. ____

1 other engineering and architectural documents showing the work to
2 be done and all the details thereof, provided that a charge may be
3 made for the documents to cover the cost of reproduction. All bids
4 to do any such work shall be in writing, be sealed and delivered to
5 the board, and be accompanied by a certified check drawn on some
6 responsible bank in the state or a bid bond from a company approved
7 by the board, for at least one percent of the total amount bid.
8 The amount of the check or bond shall be forfeited to the authority
9 in the event the successful bidder fails or refuses to enter into a
10 proper contract therefor or fails or refuses to furnish the bond
11 therefor as required by law. Any or all bids may be rejected by
12 the board.

13 (f) Bids shall be opened at the place specified in the
14 published notice and shall be announced by the board. The place
15 where the bids are opened and announced shall always be open to the
16 public.

17 (g) The contract price of all construction contracts of the
18 authority may be made in partial payments as the work progresses,
19 but such payments shall not exceed 90 percent of the amount due at
20 the time of the payment as shown by the report of the general
21 manager of the authority. The board shall at all times during the
22 progress of the work inspect the same or cause the same to be
23 inspected by the general manager or his assistants, and on the
24 completion of any contract in accordance with its terms, the board
25 shall pay the balance due thereon.

____.B. No. ____

1 (h) The person, firm, or corporation to whom the contract is
2 let shall provide the performance and payment bonds required by
3 law.

4 (i) The provisions of this section do not prohibit the
5 authority from purchasing surplus property from the United States
6 government by negotiated contract and without the necessity for
7 advertising bids.

8 (j) An officer, agent, or employee of the authority who is
9 financially interested in a contract of a type enumerated in
10 Subsection (b) of this section shall disclose that fact to the
11 board before the board votes on the acceptance of the contract.

12 (k) Notwithstanding any provision of any charter of any city
13 or town, contracts between the authority and any city or town need
14 not be submitted to the electorate.

15 (1)(1) The authority and all persons are authorized to enter
16 into contracts with respect to any waste and any waste disposal or
17 treatment facilities and any other facilities described in this
18 subsection or any other part of this Act, and the authority is
19 authorized to execute all appropriate documents and instruments in
20 connection therewith; the authority is authorized to issue bonds
21 with respect to any of its powers, including those powers granted
22 in this subsection, and for the purpose of providing or running any
23 debt service reserve fund or other special reserve, contingency, or
24 other fund in connection with bonds, for the purpose of providing
25 funds to operate any facilities for a period not to exceed three

____.B. No. ____

1 years after completion and to maintain any facilities, and to
2 provide funds to pay interest on bonds during a period determined
3 by the authority.

4 (2) All persons are authorized to contract with the
5 authority in any manner authorized by this Act with respect to any
6 facilities described in this Act, provided that any public agency
7 or local government additionally is authorized to enter into and
8 execute any such contract with the authority and to determine,
9 agree, and pledge that all or any part of its payments under the
10 contract shall be payable subject only to the authorization of such
11 contract, pledge, and payments by a majority vote of the governing
12 body of the public agency or local government. All public agencies
13 and local governments are authorized to use and pledge any other
14 available revenues or resources for and to the payment of amounts
15 due under such contracts as an additional source or sources of
16 payment or as the sole source or sources of payment and may
17 covenant so as to assure the availability of the amounts payable
18 when required.

19 (3) This subsection shall be wholly sufficient
20 authority within itself for the issuance of the bonds subject to
21 Article 5 of this Act, the execution of the contracts, and the
22 performance of the other acts and procedures authorized herein by
23 the authority and all persons, including specifically public
24 agencies, without reference to any other provisions of law or any
25 restrictions or limitations contained therein, except as herein

____.B. No. ____

1 specifically provided. To the extent of any conflict or
2 inconsistency between any provisions of this subsection and any
3 other provision of law, including any home-rule city charter
4 provisions, this subsection shall prevail and control, provided
5 that the authority and all persons, including specifically public
6 agencies, shall have the right to use any other provision of law
7 not in conflict with the provisions of this subsection to the
8 extent convenient or necessary to carry out any power or authority,
9 express or implied, granted by this subsection.

10 Sec. 3.22. COOPERATIVE AGREEMENTS. The authority may enter
11 into cooperative agreements with other local governments, water
12 districts, state agencies, or agencies of the United States
13 government. Cooperative agreements include but are not limited to
14 agreements:

15 (1) for water development functions;

16 (2) to perform water supply, water quality, waste
17 disposal management, and inspection functions and give technical
18 aid and education services to any entity that is a party to the
19 agreement; and

20 (3) to transfer money or property to any entity that
21 is a party to the cooperative agreement for the purpose of water
22 supply, water quality, waste disposal management, inspection,
23 enforcement, and technical aid and education.

24 Sec. 3.23. REUSE AUTHORIZED. (a) Any regulation affecting
25 the withdrawal of water from the Edwards Aquifer shall allow for

____.B. No. ____

1 credit to be given for the certified reuse of aquifer water. For
2 regulatory credit, the authority must certify:

- 3 (1) the beneficial use and reuse of aquifer water;
4 (2) the amount of aquifer water to be used; and
5 (3) the amount of aquifer withdrawals replaced by
6 reuse.

7 (b) Water withdrawn from the Edwards Aquifer and returned to
8 a water course by a municipal or industrial user under a wastewater
9 discharge permit is appropriated to the discharging user for reuse
10 to the extent that:

- 11 (1) reuse is certified by the authority;
12 (2) reuse replaces water that would otherwise have
13 been withdrawn from the Edwards Aquifer; and
14 (3) reuse is for municipal or industrial purposes.

15 Sec. 3.24. RIGHTS NOT AFFECTED. (a) Contracts of the
16 Lavaca-Navidad River Authority to supply water from surface water
17 supplies to local governments or other public entities outside the
18 boundaries of the district are exempt from and not affected by the
19 provisions of this Act. The Lavaca-Navidad River Authority is not
20 exempt from other applicable provisions of this Act.

21 (b) The anticipated development of methods and structures to
22 enhance recharge of the Edwards Aquifer may impair or otherwise
23 affect existing or future water supply projects in the Nueces, San
24 Antonio, and Guadalupe river basins. It is necessary to maximize
25 the benefits of existing and future water supply projects for

____.B. No. ____

1 highest and best use of the entire water resource. The commission
2 may not impose or enforce any condition on the use of state water
3 that results in a reduction of the firm yield of a water supply
4 project in the Nueces, San Antonio, or Guadalupe river basins.

5 ARTICLE 4. GENERAL FISCAL PROVISIONS

6 Sec. 4.01. DISBURSEMENT OF FUNDS. The authority's money is
7 disbursable only by check, draft, order, or other instrument signed
8 by the person or persons authorized to do so by the board's bylaws
9 or by resolution of the board.

10 Sec. 4.02. FEES AND CHARGES. The authority shall establish
11 fees and charges for its services which may not be higher than
12 necessary to fulfill the obligations imposed on it by this Act.

13 Sec. 4.03. LOANS AND GRANTS. (a) The authority may borrow
14 money for its corporate purposes.

15 (b) The authority may borrow money and accept grants from
16 private sources, the United States government, the state, and local
17 governments. The authority may enter into any agreement in
18 connection with the loan or grant which is not in conflict with the
19 constitution and laws of this state.

20 (c) The sources of any funds accepted by the authority are
21 public information, as to both the amount and any restrictions
22 placed by the donor on their expenditure.

23 Sec. 4.04. FISCAL YEAR. The authority's fiscal year shall
24 be established by the board.

25 Sec. 4.05. INDEPENDENT AUDIT. (a) The authority shall keep

1 a complete system of accounts. An audit of its affairs for each
2 year shall be prepared by an independent certified public
3 accountant or a firm of independent certified public accountants of
4 recognized integrity and ability selected by the board. The cost
5 of the audit shall be paid by the authority.

6 (b) The authority shall file copies of the independent audit
7 with the governor, the development board, and the commissioners
8 court of each county in the district. The board shall keep at
9 least one copy of the audit at the office of the authority open to
10 inspection by any interested person during normal office hours.

11 Sec. 4.06. DEPOSITORY BANKS. (a) The board shall designate
12 one or more banks within the district to serve as depository for
13 the funds of the authority. All funds of the authority shall be
14 deposited in the depository bank or banks except that bond proceeds
15 and funds pledged to pay bonds may be deposited with the trustee
16 bank named in the trust indenture to the extent provided in a trust
17 indenture and except that funds shall be remitted to the bank of
18 payment for the payment of principal of and interest on bonds. To
19 the extent that funds in the depository banks or a trustee bank are
20 not invested or insured by the Federal Deposit Insurance
21 Corporation, they shall be secured in the manner provided by law
22 for the security of county funds.

23 (b) Before designating a depository bank or banks, the board
24 shall issue a notice stating the time and place when and where the
25 board will meet for such purpose and inviting the banks in the

70
____.B. No. ____

1 district to submit applications to be designated depositories. The
2 term of service for depositories shall be prescribed by the board.
3 Such notice shall be published one time in a newspaper of general
4 circulation in the district and specified by the board, or, in lieu
5 of such publication, a copy of such notice may be mailed to each
6 bank in the district.

7 (c) At the time mentioned in the notice, the board shall
8 consider the applications and the management and condition of the
9 banks filing them and shall designate as depositories the bank or
10 banks which offer the most favorable terms and conditions for the
11 handling of the funds of the authority and which the board finds
12 have proper management and are in condition to warrant handling of
13 authority funds. Membership on the board of an officer or director
14 of a bank shall not disqualify the bank from being designated as
15 depository.

16 (d) If no applications are received by the time stated in
17 the notice, the board shall designate some bank or banks within or
18 outside the district on such terms and conditions as it may find
19 advantageous to the authority.

20 ARTICLE 5. BOND AND TAX PROVISIONS

21 Sec. 5.01. BONDS. (a) For the purpose of carrying out any
22 power or authority conferred by this Act, including the expense of
23 preparing the master plan and the payment of engineering and other
24 expenses in connection therewith, the authority is empowered to
25 issue bonds secured by a pledge of all or part of the revenues

7A

____.B. No. ____

1 accruing to the authority, including without limitation those
2 received from the sale of water or other products, rendition of
3 service, tolls, charges, and all other sources.

4 (b) Bonds shall be authorized by resolution of the board and
5 shall be issued in the name of the authority, signed by the
6 chairman and vice-chairman, and attested by the secretary, and
7 shall bear the seal of the authority. It is provided, however,
8 that the signatures of the chairman, the vice-chairman, or the
9 secretary or of both signees may be printed or lithographed on the
10 bonds if authorized by the board, and that the seal of the
11 authority may be impressed on the bonds or may be printed or
12 lithographed thereon. The bonds shall be in such form as shall be
13 prescribed by the board, shall be in such denomination or
14 denominations, shall mature serially or otherwise in not to exceed
15 50 years from their date, shall bear such interest, and may be sold
16 at a price and under terms determined by the board to be the most
17 advantageous reasonably obtainable, and, within the discretion of
18 the board, may be made callable prior to maturity at such times and
19 prices as may be prescribed in the bonds, and may be made
20 registrable as to principal or as to both principal and interest.
21 The bonds may be further secured by an indenture of trust with a
22 corporate trustee.

23 (c) Bonds may be issued in more than one series and from
24 time to time as required for carrying out the purposes of this Act.
25 Any pledge of revenues may reserve the right, under conditions

____.B. No. ____

1 therein specified, to issue additional bonds which will be on a
2 parity with or be secured by a lien senior to or subordinate to the
3 bonds then being issued.

4 (d) The resolution authorizing the bonds or the trust
5 indenture further securing such bonds may specify additional
6 provisions which shall constitute a contract between the authority
7 and its bondholders. The board shall have full discretion in
8 providing for such additional provisions including the authority to
9 provide for a corporate trustee or receiver to take possession of
10 facilities of the authority in the event of default on the part of
11 the authority in fulfilling the covenants therein made.

12 Sec. 5.02. REFUNDING BONDS. The authority is authorized to
13 issue refunding bonds for the purpose of refunding any outstanding
14 bonds authorized by this Act and interest thereon. Such refunding
15 bonds may be issued to refund one or more series of outstanding
16 bonds and combine the pledges for the outstanding bonds for the
17 security of the refunding bonds and may be secured by other or
18 additional revenues. The provisions of this law with reference to
19 the issuance by the authority of other bonds, their security, and
20 their approval by the attorney general and the remedies of the
21 holders shall be applicable to refunding bonds. Refunding bonds
22 shall be registered by the comptroller on surrender and
23 cancellation of the bonds to be refunded, but in lieu thereof the
24 resolution authorizing their issuance may provide that they shall
25 be sold and the proceeds thereof deposited in the bank where the

____.B. No. ____

1 original bonds are payable, in which case the refunding bonds may
2 be issued in an amount sufficient to pay the principal of and the
3 interest on the original bonds to their option date or maturity
4 date, and the comptroller shall register them without concurrent
5 surrender and cancellation of the original bonds.

6 Sec. 5.03. APPROVAL AND REGISTRATION OF BONDS. After any
7 bonds, including refunding bonds, are authorized by the authority,
8 such bonds and the record relating to their issuance shall be
9 submitted to the attorney general for examination as to the
10 validity thereof. If such bonds recite that they are secured by a
11 pledge of the proceeds of a contract made between the authority and
12 any city or other governmental agency, authority, or district, a
13 copy of such contract and the proceedings of the city or other
14 governmental agency, authority, or district authorizing such
15 contract shall also be submitted to the attorney general. If the
16 attorney general finds that such bonds have been authorized and
17 such contracts have been made in accordance with the constitution
18 and laws of the state, the attorney general shall approve the bonds
19 and such contracts and the bonds then shall be registered by the
20 comptroller of public accounts. Thereafter the bonds and the
21 contracts, if any, shall be valid and binding and shall be
22 incontestable for any cause.

23 Sec. 5.04. BONDS AUTHORIZED INVESTMENTS. All bonds and
24 refunding bonds of the authority shall be and are hereby declared
25 to be legal, eligible, and authorized investments for banks;

____.B. No. ____

1 savings and loan associations; insurance companies; fiduciaries;
2 trustees; the sinking funds of cities, towns, villages, counties,
3 school districts, or any other political corporation or subdivision
4 of the State of Texas; and for all public funds of the state or its
5 agencies, including the permanent school fund. Such bonds and
6 refunding bonds shall be eligible to secure the deposit of any and
7 all public funds of the state and the cities, towns, villages,
8 counties, school districts, or other political corporations or
9 subdivisions of the state, and such bonds shall be lawful and
10 sufficient security for the deposits to the extent of the face
11 value of the bonds when accompanied by all unmatured coupons
12 appurtenant thereto.

13 Sec. 5.05. TAXES AND FEES. Subject to all applicable laws,
14 taxes and fees may be levied by local governments in any manner and
15 amount necessary to carry out the purposes of this Act, to support
16 the authority, or to fulfill any agreement with the authority.

17 ARTICLE 6. UNDERGROUND WATER

18 CONSERVATION DISTRICTS

19 Sec. 6.01. PURPOSE AND POWER OF DISTRICT. The authority may
20 establish one or more underground water conservation districts for
21 the purpose of accomplishing any of the purposes or exercising any
22 of the powers, rights, privileges, or authority vested by Chapter
23 52, Water Code.

24 Sec. 6.02. ESTABLISHMENT OF DISTRICTS. (a) Underground
25 water conservation districts may be established by the procedures

____.B. No. ____

1 contained in this section.

2 (b) The authority may adopt a resolution calling for the
3 creation of an underground water conservation district, determining
4 the boundaries thereof, declaring that taxes for the maintenance of
5 the underground water conservation district and its improvements
6 shall be levied, at a rate not to exceed the maximum rate fixed in
7 Chapter 52, Water Code, on the taxable property within the proposed
8 underground water conservation district, and fixing a time and
9 place for a public hearing on the matters set out in the
10 resolution. The authority must adopt a resolution calling for the
11 creation of an underground water conservation district when it is
12 requested by a local government or a group of 25 or more land
13 owners in the proposed district.

14 (c) The public hearing may be conducted by a quorum of the
15 board of directors, by one or more directors, or by one or more
16 employees designated by the board. If someone other than a quorum
17 of the board conducts the hearing, they shall have power to accept
18 evidence and make recommendations on which the board may act. The
19 board may alter, modify, or change any provision of the resolution
20 calling for the creation of the proposed underground water
21 conservation district subsequent to the public hearing, provided
22 that the boundaries of the underground water conservation district
23 may not be enlarged or expanded without further notice as herein
24 provided.

25 (d) Notice of the public hearing shall be published in a

____.B. No. ____

1 newspaper of general circulation within the proposed underground
2 water conservation district once not less than 15 nor more than 30
3 days prior to the public hearing.

4 (e) All public hearings on creation of an underground water
5 conservation district shall be held within the boundaries of the
6 proposed underground water conservation district and may be held
7 concurrently or in connection with any other public hearing,
8 meeting, or proceeding conducted by the board.

9 (f) Any interested person, including persons residing or
10 owning property within the district, may appear at the public
11 hearing and present evidence relevant to the matters set forth in
12 the resolution calling for the creation of the proposed underground
13 water conservation district. All persons residing within or owning
14 property within the proposed underground water conservation
15 district shall have the right to appear at the public hearing and
16 present evidence with regard to whether they will receive benefits
17 from the proposed improvements or taxation.

18 (g) The board shall review the findings and recommendations
19 resulting from the public hearing and may adopt a resolution
20 creating the underground water conservation district, stating the
21 purposes for which the underground water conservation district has
22 been created, designating the boundaries of the underground water
23 conservation district, declaring that the indebtedness to be
24 incurred or the cost of services to be rendered by the authority
25 for the benefit of the underground water conservation district

____.B. No. ____

1 shall be payable from taxes levied on property within the
2 underground water conservation district, finding that the property
3 within the underground water conservation district will benefit
4 from the indebtedness proposed to be incurred or the services
5 proposed to be rendered by the authority on its behalf, and calling
6 for an election within the underground water conservation district
7 to authorize the indebtedness and the maintenance tax. The
8 resolution shall further state the date of the election, the
9 proposition or propositions to be voted on, the location of the
10 polling places, and the names of the officers of the election. The
11 election may be held in conjunction with a general election or any
12 special election other than a primary election. The provisions of
13 the Election Code shall govern the election unless they are
14 contrary to any provision of this Act.

15 (h) The resolution of the board creating an underground
16 water conservation district is final and conclusive and is not
17 subject to review by any court except on the basis of whether the
18 resolution is supported by substantial evidence. The resolution
19 shall be filed in the deed records of the county or counties where
20 the territory within the underground water conservation district is
21 situated. Any action or proceeding in which the validity of the
22 board's resolution creating an underground water conservation
23 district or of the proceedings relative thereto is contested,
24 questioned, or denied shall be commenced within 30 days from the
25 effective date of the resolution; otherwise, the resolution and all

____.B. No. ____

1 proceedings relative thereto, including the creation of the
2 underground water conservation district, shall be held to be valid
3 and in every respect legal and incontestable.

4 Sec. 6.03. BOUNDARIES AND ADDITION OF TERRITORY. (a) The
5 boundaries of an underground water conservation district may
6 include any territory within the district whether or not the
7 territory contains noncontiguous parcels of land and whether or not
8 the territory is located within the boundaries of any incorporated
9 city, town, village, or any other governmental entity or political
10 subdivision of the state.

11 (b) Proceedings for the annexation of territory to an
12 existing underground water conservation district may be initiated
13 by a resolution of the board, by a petition signed by the owners of
14 50 percent or more of the value of the land subject to the
15 proceedings, or by a petition signed by a majority of the residents
16 of the territory to be annexed. The petition shall, insofar as is
17 practicable, set forth substantially those matters set forth in the
18 resolution calling for the creation of an underground water
19 conservation district and shall request a public hearing by the
20 board on the matters set out in the petition. The public hearing
21 shall be held in substantial compliance with the provisions set
22 forth herein for a public hearing on creation of an underground
23 water conservation district. If the board determines that the
24 annexation should be accomplished, it may adopt a resolution
25 calling separate elections on the matter of annexation to be held

70
____.B. No. ____

1 within the existing underground water conservation district and
2 within the territory to be annexed. The annexation shall not
3 become final until approved by a majority of the qualified voters
4 within the existing underground water conservation district and
5 until a majority of the qualified voters within the boundaries of
6 the territory to be annexed approve the annexation and elect to
7 allow the territory to be annexed to be taxed for maintenance
8 purposes, to assume its pro rata share of the indebtedness
9 authorized and the taxes necessary to support the voted but
10 unissued tax or tax and revenue bonds of the underground water
11 conservation district to be issued on behalf of the existing
12 underground water conservation district, and to authorize the
13 underground water conservation district to levy a tax on the
14 property therein for the payment of such unissued bonds when
15 issued. The elections shall conform to the Election Code, insofar
16 as that code is not inconsistent with the provisions of this Act.
17 The board's resolution canvassing the returns of such elections
18 shall redefine the boundaries of the underground water conservation
19 district and shall be recorded in the deed records of the county
20 within which the annexed territory lies.

21 (c) Proceedings for the addition of territory to an existing
22 underground water conservation district on which less than three
23 qualified voters reside may be initiated by a petition signed by
24 the owner or owners of the land praying that the land described
25 therein be added and become a part of the underground water

9/11

____.B. No. ____

1 conservation district. The petition shall, insofar as applicable,
2 set forth substantially those matters set forth in a resolution
3 calling for the creation of an underground water conservation
4 district and shall request a public hearing by the board on the
5 matters set out in the petition. The public hearing shall be held
6 in substantial compliance with provisions set forth herein for a
7 public hearing on creation of an underground water conservation
8 district. If the board determines that the addition should be
9 accomplished, it may adopt a resolution adding such territory. If
10 taxes or bonds have been authorized within the underground water
11 conservation district prior to the addition of the territory, the
12 resolution adding the territory shall be temporary and the addition
13 shall not become final until approved by a majority of the
14 qualified voters within the underground water conservation district
15 as it will exist after the addition. The election shall be held as
16 soon as practicable after the adoption of the resolution adding the
17 territory, on the proposition of approving the addition, ratifying
18 the unissued tax or tax and revenue bonds of the authority which
19 are to be issued on behalf of the underground water conservation
20 district, and authorizing the underground water conservation
21 district to levy a tax on the property within the underground water
22 conservation district as enlarged for payment of the unissued bonds
23 when issued or for the maintenance of the underground water
24 conservation district, or both, as applicable. The election shall
25 conform to the Election Code so far as that code is not

911
____.B. No. ____

1 inconsistent with the provisions of this Act. The board's
2 resolution canvassing the returns of the election or adding the
3 territory shall redefine the boundaries of the underground water
4 conservation district and shall be recorded in the deed records of
5 the county within which the added territory lies.

6 Sec. 6.04. TAXATION. (a) If the qualified voters in the
7 elections called pursuant to Section 6.02 or Section 6.03 of this
8 Act authorize the underground water conservation district to incur
9 indebtedness for the benefit of the authority, the authority shall
10 have authority to issue bonds as provided in Article 5 of this Act,
11 provided that taxes levied by the underground water conservation
12 district for the purpose of making payments of the interest on or
13 principal of the bonds shall be levied only on taxable property
14 within the underground water conservation district.

15 (b) Notwithstanding any provision of this Act to the
16 contrary, if the qualified voters in the elections called pursuant
17 to Section 6.02 or Section 6.03 of this Act authorize the
18 underground water conservation district to levy and collect ad
19 valorem taxes for the maintenance of the authority and its
20 improvements, the maintenance tax shall be levied only on taxable
21 property within the underground water conservation district.

22 Sec. 6.05. BONDED INDEBTEDNESS. An underground water
23 conservation district may incur any and all indebtedness necessary
24 to provide all improvements and the maintenance thereof, requisite
25 to the achievement of the purposes for which the underground water

2
____.B. No. ____

1 conservation district is organized, and the underground water
2 conservation district is authorized to levy and collect all taxes
3 necessary for the payment of the interest on the indebtedness and
4 the creation of a sinking fund for the payment thereof, and such
5 taxes shall be a lien on the property assessed for the payment
6 thereof.

7 SECTION 2. Section 11.028, Water Code, is amended to read as
8 follows:

9 Sec. 11.028. EXCEPTION. Any appropriation made after
10 May 17, 1931, for any purpose other than domestic or municipal use
11 is subject to the right of any city or town to make further
12 appropriations of the water for domestic or municipal use [~~without~~
13 ~~paying-for-the-water~~]. However, this section does not apply to any
14 stream which constitutes or defines the international boundary
15 between the United States of America and the Republic of Mexico.

16 SECTION 3. Subsection (b), Section 52.022, Water Code, is
17 amended to read as follows:

18 (b) The commission has exclusive jurisdiction over the
19 delineation of management areas and the creation of districts under
20 this subchapter except that the regional water management district
21 known as the Edwards Water Authority has exclusive jurisdiction in
22 the area served by that district.

23 SECTION 4. Chapter 99, Acts of the 56th Legislature, Regular
24 Session, 1959 (Article 8280-219, Vernon's Texas Civil Statutes), is
25 amended by adding Section 3A to read as follows:

21
____.B. No. ____

1 Sec. 3A. The district is granted the powers of a district
2 created and empowered under Chapter 52, Water Code.

3 SECTION 5. (a) The creation of the Uvalde County
4 Underground Water Conservation District and all resolutions,
5 orders, and other acts or attempted acts of the board of directors
6 of the district are validated in all respects. The creation of the
7 district and all resolutions, orders, and other acts or attempted
8 acts of the board of directors of the district are valid as though
9 they originally had been legally authorized or accomplished.

10 (b) This validation does not apply to or affect litigation
11 pending on the effective date of this Act in any court of competent
12 jurisdiction in this state to which the Uvalde County Underground
13 Water Conservation District is a party.

14 SECTION 6. (a) There is hereby created, pursuant to Article
15 XVI, Section 59, of the Texas Constitution, a conservation and
16 reclamation district to be known as the Kinney County Underground
17 Water Conservation District, which shall be a governmental agency
18 and body politic and corporate of the State of Texas. The creation
19 of the district is hereby determined to be essential to the
20 accomplishment of the purposes of Article XVI, Section 59, of the
21 Texas Constitution. The powers, rights, and duties of a district
22 created under Chapter 52, Water Code, are hereby declared to be the
23 powers, rights, and duties of the Kinney County Underground Water
24 Conservation District.

25 (b) The territory of the district is Kinney County.

71
____.B. No. ____

1 (c) A confirmation election under the provisions of Chapter
2 52, Water Code, is necessary.

3 SECTION 7. (a) The Edwards Water Authority will submit its
4 water management plan to the Legislative Natural Resources Board
5 for review each year. The Texas Water Development Board will
6 submit its comments on the water management plan to the legislature
7 annually noting its exceptions and providing technical analysis of
8 the plan's effectiveness.

9 (b) The Edwards Water Authority and the water districts
10 within the territory of the authority are subject to a full review
11 of the effectiveness of the management of water resources in the
12 territory of the authority beginning in 1999. The review will be
13 conducted by the Legislative Natural Resources Board and its formal
14 report made to the legislature in 2001.

15 SECTION 8. The sum of \$250,000 is appropriated to the
16 Edwards Water Authority from the water assistance fund administered
17 by the Texas Water Development Board for the initial startup costs
18 of the authority.

19 SECTION 9. (a) The proper and legal notice of the intention
20 to introduce this Act, setting forth the general substance of this
21 Act, has been published as provided by law, and the notice and a
22 copy of this Act have been furnished to all persons, agencies,
23 officials, or entities to which they are required to be furnished
24 by the constitution and other laws of this state, including the
25 governor, who has submitted the notice and Act to the Texas Water

1 Commission.

2 (b) The Texas Water Commission has filed its recommendations
3 relating to this Act with the governor, lieutenant governor, and
4 speaker of the house of representatives within the required time.

5 (c) All requirements of the Texas Constitution and laws of
6 this state and the rules and procedures of the legislature with
7 respect to the notice, introduction, and passage of this Act are
8 fulfilled and accomplished.

9 SECTION 10. This Act takes effect September 1, 1993.

10 SECTION 11. The importance of this legislation and the
11 crowded condition of the calendars in both houses create an
12 emergency and an imperative public necessity that the
13 constitutional rule requiring bills to be read on three several
14 days in each house be suspended, and this rule is hereby suspended.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
73rd Regular Session

April 19, 1993

TO: Honorable Bill Sims, Chair
Committee on Natural Resources
Senate Chamber
Austin, Texas

IN RE: Senate Bill No. 1370
By: Sims

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Bill No. 1370 (relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; making an appropriation) this office has determined the following:

The bill would appropriate \$250,000 from the Water Assistance Account in the General Revenue Fund to the Edwards Underground Water Authority in fiscal year 1994.

The bill would create the Edwards Water Authority, pursuant to Article III, Section 52 and Article XVI, Section 59 of the Texas Constitution. The Authority would have jurisdiction over groundwater usage and conjunctive use of groundwater and surface water supplies in its territory, composed of counties overlay the Southern Zone of the Edwards Aquifer and in the Guadalupe River Basin. The authority would engage in activities dedicated to water and habitat conservation and protection and would function as a water district wherever in its territory a water district does not exist.

The additional fiscal implications of implementing the provisions of this bill to the State and units of local government cannot be determined.

Source: Water Board, Comptroller of Public Accounts;
LBB Staff: JO, JWH, EC, JLG, JOL

PUBLISHER'S AFFIDAVIT

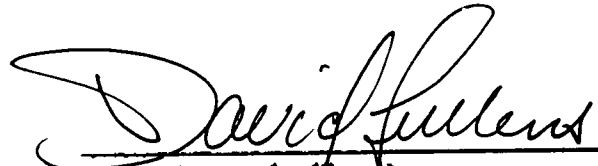
STATE OF TEXAS

COUNTY OF COMAL

BEFORE ME, a Notary Public in and for Comal County, this day personally appeared DAVID SULLENS, who, being duly sworn, states that the following advertisement was published in the Herald-Zeitung on FEB. 25, 1993:

NOTICE

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, De Witt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.


(signature of affiant)

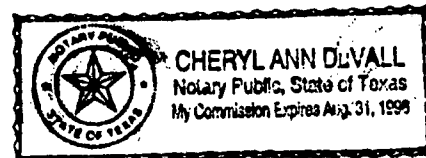
Sworn to and subscribed before me this 24 day of MARCH 1993.


(signature of notary)

My commission expires 8/31, 1996.

RETURN TO:

Carol McGarrah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711



PUBLISHER'S AFFIDAVIT

THE STATE OF TEXAS,

County of Guadalupe

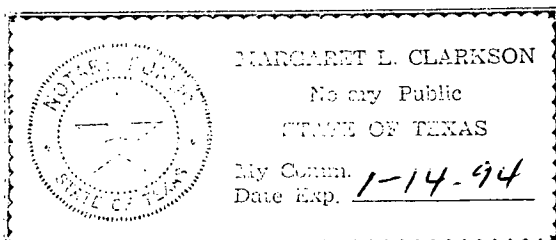
Before me, the undersigned authority, on this date personally
appeared Ron Filkins known to me, who, being by me
duly sworn, on his oath deposes and says that he is the publisher of
The Seguin Gazette-Enterprise, a newspaper published in said county;
that a copy of the within and foregoing notice was published in
said newspaper 1 times before the return day named therein,
such publications being on the following dates:

February 25, 1993

and a newspaper copy of which is hereto attached.

Ron Filkins

Sworn to and subscribed before me, this 23 day of March A.D., 19 93.



Margaret L. Clarkson
Notary Public, Guadalupe County, Texas

NOTICE

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF JACKSON

BEFORE ME, a Notary Public in and for Jackson County, this day personally appeared MARSHALL DAY, who, being duly sworn, states that the following advertisement was published in the Herald Tribune on February 25, 1993:

NOTICE

(copy of advertisement)

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Kerner, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

Marshall Day
(signature of affiant) MARSHALL DAY

Sworn to and subscribed before me this 24th day of Feb., 1993.



Mary C Ledwik
(signature of notary) MARY C. LEDWIK

My commission expires 10-23, 1996.

RETURN TO:

Carol McGarah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF CALDWELL

BEFORE ME, a Notary Public in and for Caldwell County, this day personally appeared Dana Garrett, who, being duly sworn, states that the following advertisement was published in the Post Register on March 4, 1993;

Lockhart

(Affix copy of advertisement)

Dana Garrett
(signature of affiant)

Sworn to and subscribed before me this 5th day of March 1993.

Patty Lodrigos
(signature of notary)

My commission expires May 17, 1993.**NOTICE**

RETURN TO:

Carol McGarrah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kimney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF KARNES

BEFORE ME, a Notary Public in and for Karnes County, this day personally appeared Bill DeFries, who, being duly sworn, states that the following advertisement was published in the Citation on March 3, 1993:

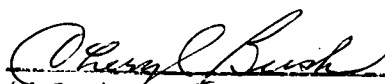
NOTICE

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe,

Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.


(signature of affiant)

Sworn to and subscribed before me this 3rd day of March 1993.


(signature of notary)

My commission expires 10-8-95, 199 .

RETURN TO

Carol McGorath, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12048
Austin, TX 78711

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF DE WITT

BEFORE ME, a Notary Public in and for De Witt County, this day personally appeared Glenn Rea, who, being duly sworn, states that the following advertisement was published in the Record on March 3, 1993

NOTICE

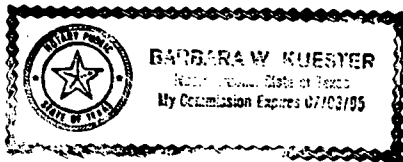
This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Kames, Kinney, Medina, Uvalde, Victoria and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

(Affix copy of advertisement)

[Handwritten Signature]

(signature of affiant)

Given in and subscribed before me this 4 day of Mar, 1993.



[Handwritten Signature: Barbara W. Kuester]

(signature of notary)

My commission expires 7/3, 1995.

RETURN TO:

Carol McGarah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

PUBLISHER'S AFFIDAVIT

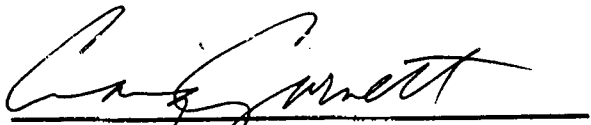
STATE OF TEXAS

COUNTY OF UVALDE

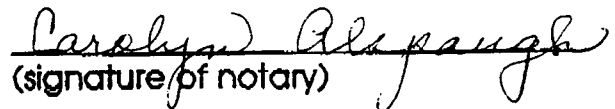
BEFORE ME, a Notary Public in and for Uvalde County, this day personally appeared Craig Garnett, who, being duly sworn, states that the following advertisement was published in the Leader News on February 28, 1993;

NOTICE

This is to give notice of intent to introduce in the 73rd (72nd) Legislature, Regular Session, a bill to be entitled an Act relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.


(signature of affiant)

Sworn to and subscribed before me this 1st day of March 1993.


(signature of notary)

My commission expires 6-30, 1994.



PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

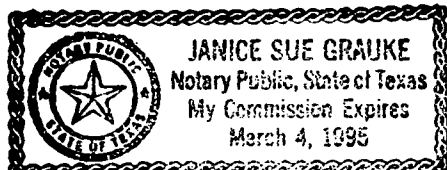
COUNTY OF GONZALES

BEFORE ME, a Notary Public in and for Gonzales County, this day personally appeared Robert Swonke, who, being duly sworn, states that the following advertisement was published in the Inquirer on 2-26-93.

(Affix copy of advertisement)

Robert Swonke
(signature of affiant)

Sworn to and subscribed before me this 26th day of Feb., 1993.



Janice Sue Grauke
(signature of notary)

My commission expires 3-4, 1995.

RETURN TO:

Carol McGarah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

NOTICE

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria and Wilson; creating regional and local water districts; and providing for the creation of groundwater conservation districts.

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF WILSON

BEFORE ME, a Notary Public in and for Wilson County, this day personally appeared Lori King, who, being duly sworn, states that the following advertisement was published in the Wilson County News on 3-3-93:

(Affix copy of advertisement)

NOTICE

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.



A.W. HAWKINS
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES 5-2-94

Lori King
(signature of affiant)

Sworn to and subscribed before me this 9th day of Mar., 1993.

A.W. Hawkins
(signature of notary)

My commission expires 5-2-94, 1994.

RETURN TO:

Carol McGarah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

Hondo Anvil Herald

Hondo, Texas 78861

PUBLISHER'S AFFIDAVIT

The State of Texas)

County of Medina)

Before me, the undersigned authority, on this day did personally appear Frances Guinn, a person known to me, who on her oath stated that she is the Editor of the Hondo Anvil Herald, a newspaper published in Medina County, Texas, and which newspaper is of general circulation and has been published for more than twelve (12) months prior to the insertion of the attached notice, and that she knows the facts stated in this affidavit.

That the attached printed matter is a true and correct copy of the publication of the notice of which it purports to be a true copy, as the same appeared in such newspaper in the respective issues of.

Feb. 25, 93

That the charge of such

newspaper, being \$ 8.40

Frances Guinn
Frances Guinn, Editor

Subscribed and sworn to be-

fore me on this the 26

day of Feb, 1993

Cathy A. Walton
Notary Public
Medina County, Texas

NOTICE

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Kames, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.
Pub. Feb. 25, 1993



RECEIVED

COMM. - RECORDS

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF CALDWELL

BEFORE ME, a Notary Public in and for Caldwell County, this day personally appeared Haren G. McClary, who, being duly sworn, states that the following advertisement was published in the Newsboys Signal on March 4, 1993:

NOTICE

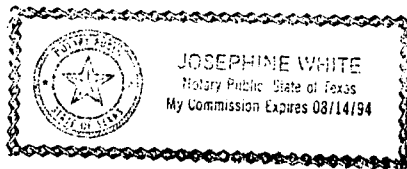
This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts. 3-4-1c

Haren G. McClary
(signature of affiant)

Sworn to and subscribed before me this 11th day of March, 1993.

Josephine White
(signature of notary)

My commission expires 8-14, 1993.



RETURN TO:

Carol McGarah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

NOTICE

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

xltM3

THE TEXAN EXPRESS

P. O. BOX 1
GOLIAD, TEXAS 77963

AFFIDAVIT OF PUBLICATION

THE STATE OF TEXAS

COUNTY OF GOLIAD

Before me, the undersigned authority, a Notary Public in and for the County of Goliad, State of Texas, on this day personally appeared:

Martha B. Mullenix

of The Texan Express

A weekly newspaper published in said County and State, who, being duly sworn by me, states that the attached advertisement was published in said newspaper on the following dates, to wit:

March 2, 1993

and that the attached is a true copy of said advertisement.

Martha B. Mullenix

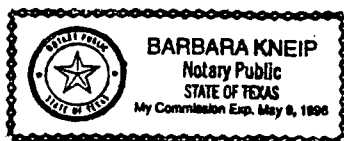
SWORN AND SUBSCRIBED TO BEFORE ME, this the 24th day of MARCH, A. D. 1993.

Barbara Kneip
Notary Public in and for
GOLIAD COUNTY, TEXAS

BARBARA Kneip
Printed Name of Notary

My Commission Expires _____

(Seal)



San Marcos Daily Record
THE STATE OF TEXAS }
County of Hays: }

Before me, the undersigned, holding the office of _____ Notary Public _____ in and

for Hays County, Texas, personally appeared *Andy Trimble*,
who states under oath that he is the publisher of the San Marcos Daily Record, a newspaper which has been
regularly and continuously published in San Marcos, Hays County, Texas, for a period of more than one
year immediately preceding the date of publication of this notice and that the Notice by Publication hereto

attached was published in the regular edition of said newspaper for a period of _____

(1) One day on the following dates
Feb 2-24, 19*93*, _____, 19____,

NOTICE

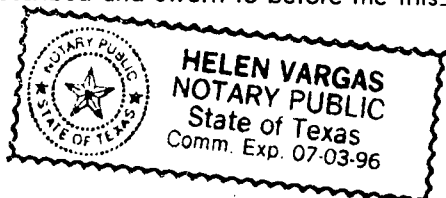
This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Kames, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

_____, 19____, _____, 19____,
_____, 19____, _____, 19____,
_____, 19____, a printed clipping of said notice being hereto attached.
_____ states that the rate charged for this publication is the lowest rate charged
a class of advertising for a like amount of space.

(Signed) _____

Publisher

Subscribed and sworn to before me this *3rd* day of *March*, 19*93*



Helen Vargas

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF KINNEY

BEFORE ME, a Notary Public in and for Kinney County, this day personally appeared Jewel F. Robinson, who, being duly sworn, states that the following advertisement was published in the Brackett News on February 25, 1993:

(Affix copy of advertisement)

Jewel F. Robinson
(signature of affiant)

Sworn to and subscribed before me this 26 day of Feb, 1993.

Joyce Fuentes
(signature of notary)

My commission expires 5-30, 1993

RETURN TO:

Carol McGarah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

NOTICE

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF VICTORIA

BEFORE ME, a Notary Public in and for Victoria County, this day personally appeared Lucille Janecka, who, being duly sworn, states that the following advertisement was published in the Advocate on February 25, 1993:

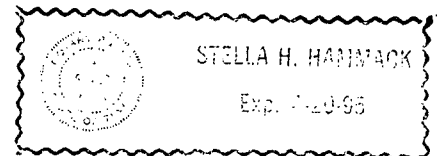
PUBLIC NOTICE
This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.
(145)

Lucille Janecka
(signature of affiant)

Sworn to and subscribed before me this 16th day of March, 1993.

Stella H. Hannack
(signature of notary)

My commission expires 4-20, 1995.



RETURN TO:

Carol McGarah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

(145) 4/25

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF BEXAR

BEFORE ME, a Notary Public in and for Bexar County, this day personally appeared Sarah Torres-Corpus, who, being duly sworn, states that the following advertisement was published in the Express News on February 24, 1993:

San Antonio

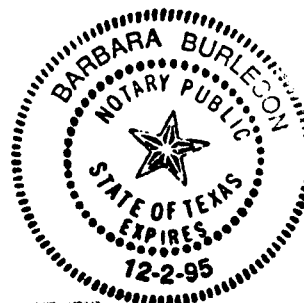
NOTICE
This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Uvalde, Victoria, and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

Sarah Torres-Corpus
(signature of affiant)

Sworn to and subscribed before me this 26th day of February, 1993.

Barbara Burlecon
(signature of notary)

My commission expires _____, 199__.



RETURN TO:

Carol McGarah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

AFFIDAVIT OF PUBLICATION

STATE OF TEXAS

COUNTY OF Frio

Before me, the undersigned authority, on this day personally appeared
Anne Michelle Benavides, the Bookeeper/Classified Dir. of the
(Name) (Title)
Frio Nueces Current, a newspaper having
(Name of Newspaper)
general circulation in Frio/La Salle County, Texas, who being by me
duly sworn, deposes and says that the foregoing attached notice was published in
said newspaper on the following date(s), to wit: February 25, 1993

Anne Michelle Benavides

Subscribed and sworn to before me this the 31 day of MARCH, 1993,
to certify which witness my hand and seal of office.

Carlos A. Davis

Notary Public in and for

Frio

County, Texas.

NOTICE

This is to give notice to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, De Witt, Frio, Goliad, Gonzales, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

ITC2/25

COUNTY OF ATASCOSA)
THE STATE OF TEXAS)

Before me, the undersigned authority, on this day personally appeared DAVID B. WILKERSON, known to me, who, being duly sworn, on his oath deposes and says that he is the EDITOR of the PLEASANTON EXPRESS, a newspaper of general circulation published in said county; that said newspaper has been continuously and regularly published in said county for a period of more than one year; that a copy of the within and foregoing notice was published in said newspaper at least once each week for a period of one (1) weeks before the return day named therein, such publication being on the following dates Wednesday, March 3,

19 93

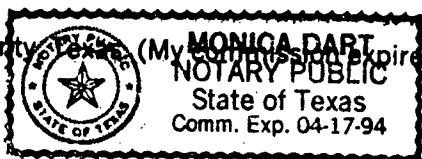
a newspaper copy of which is attached hereto.

DAVID B. WILKERSON Editor PLEASANTON EXPRESS

Sworn to and subscribed before me this 1st
of April, 19 93

NOTICE: This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria and Wilson; creating regional and local water districts; and providing for the creation of groundwater conservation districts. (13c)

Notary Public in and for Atascosa County, Texas (My Commission Expires



Monica Dart

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF CALHOUN

BEFORE ME, a Notary Public in and for Calhoun County, this day personally appeared ANJANETTE I. GRANTLAND, who, being duly sworn, states that the following advertisement was published in the Wave on FEBRUARY 27, 1993:

NOTICE

This is to give notice of intent to introduce in the 73rd Legislature, Regular Session, a bill to be entitled an Act, relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria and Wilson; creating regional and local water districts, and providing for the creation of groundwater conservation districts.

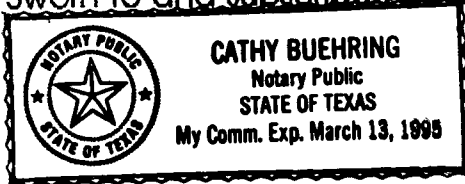
(#49)

(Affix copy of advertisement)

Anjanette I. Grantland
(signature of affiant)

ANJANETTE I. GRANTLAND

Sworn to and subscribed before me this 31 day of MARCH 1993.



Cathy Buehring
(signature of notary) CATHY BUEHRING

My commission expires 3-13-, 1995.

RETURN TO:

Carol McGarrah, Committee Clerk
Senate Natural Resources Committee
P.O. Box 12068
Austin, TX 78711

S.B. No. 1370

By Jim

A BILL TO BE ENTITLED

AN ACT:

relating to the management of water resources in the counties of Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Frio, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kinney, Medina, Uvalde, Victoria, and Wilson

APR 15 1993

Filed with the Secretary of the Senate

Read and referred to Committee on NATURAL RESOURCES

Reported favorably _____

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

Ordered not printed

Laid before the Senate

Senate and Constitutional Rules to permit consideration suspended by: { unanimous consent
_____ yeas, _____ nays

Read second time, _____ , and ordered engrossed by: { unanimous consent
a viva voce vote
_____ yeas, _____ nays

Caption ordered amended to conform to the body of the bill.

Senate and Constitutional 3 Day Rule suspended by a vote of _____ yeas, _____ nays.

Read third time, _____ , and passed by: { A viva voce vote
_____ yeas, _____ nays

SECRETARY OF THE SENATE

OTHER ACTION:

Engrossed

Sent to House

Engrossing Clerk _____

_____ Received from the Senate

_____ Read first time and referred to Committee on _____

_____ Reported favorably amended, sent to Printer at _____

_____ Printed and Distributed _____

_____ Sent to Committee on Calendars _____

_____ Read Second time (amended): passed to third reading (failed)

by (Non-Record Vote) Record Vote of _____ yeas, _____ nays _____ present not voting.

_____ Constitutional Rule requiring bills to be read on three several days suspended (failed to suspend) by a four-fifths vote of _____ yeas, _____ nays _____ present not voting.

_____ Read third time (amended): finally passed (failed) by a (Non-Record Vote) Record Vote of _____ yeas, _____ nays _____ present not voting.

_____ Caption ordered amended to conform to body of bill.

_____ Returned to Senate.

CHIEF CLERK OF THE HOUSE

_____ Returned from House without amendment.

_____ Returned from House with _____ amendments.

_____ Concurred in House amendments by a viva voce vote _____ years, _____ days.

_____ Refused to concur in House amendments and requested the appointment of a Conference Committee to adjust the differences.

_____ Senate conferees instructed.

_____ Senate conferees appointed: _____, Chairman; _____, _____, and _____.

_____ House granted Senate request. House conferees appointed: _____, Chairman; _____, _____, _____, _____.

_____ Conference Committee Report read and filed with the Secretary of the Senate.

_____ Conference Committee Report adopted on the part of the House by: _____

{ a viva voce vote
_____ yeas, _____ nays

_____ Conference Committee Report adopted on the part of the Senate by: _____

{ a viva voce vote
_____ yeas, _____ nays

OTHER ACTION:

_____ Recommitted to Conference Committee

_____ Conferees discharged.

_____ Conference Committee Report failed of adoption by: _____

{ a viva voce vote
_____ yeas, _____ nays

212

BILL ANALYSIS

Senate Research Center

S.B. 1370
By: Sims
Natural Resources
4-19-93
As Filed

BACKGROUND

Conservation and management of groundwater is accomplished by local underground water conservation districts created under Chapter 52, Water Code. Conjunctive management of ground and surface water is stressed for the most beneficial and economic use of water resources.

PURPOSE

As proposed, S.B.1370 creates the Edwards Water Authority and adopts a drought management plan for the counties overlying the Edwards Aquifer.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is granted to the Edwards Water Authority and to the Texas Water Commission under SECTION 1 (Secs. 3.10 and 3.14, respectively) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Provides for the adoption of the Edwards Water Authority Act.

ARTICLE 1. GENERAL PROVISIONS

Sec. 1.01. PURPOSE. Provides that the purpose of this Act is to establish an instrumentality for developing and effectuating a regional water management program for the conjunctive use of surface and groundwater within certain counties.

Sec. 1.02. FINDINGS AND DECLARATION OF POLICY. Finds and declares that the management of waters in certain counties is necessary to sustain the life and economic viability of the region; that local regulation is necessary for effective use of the resources of the region; that regional cooperation for water research, planning, and resource development for providing coordinated facilities, and for coordinating waste disposal in critical water supply areas are more effective than isolated efforts on a county-wide, city-wide, or smaller scale; that creation of the Edwards Water Authority would advance the established policy of the state to manage the waters of the state consistent with the rights of private property owners, protection of public health and public enjoyment, the propagation and protection of terrestrial and aquatic life, the operation of existing industries, and the economic development of the state; and that use of water in the district for beneficial purposes requires that all reasonable measures be taken to be conservative in water use, to enhance water supply, spring flow, and aquifer recharge, to provide regional drought management, to prevent and abate water pollution, and to reclaim polluted water for beneficial uses.

Sec. 1.03. DEFINITIONS. Defines "authority," "average rainfall at Uvalde and San Antonio," "board," "commission," "development board," "director," "district," "Edwards district," "groundwater," "person," "rule," "transport of water," "water," "water district," "water diversion," "water pollution," "water level at Uvalde," and "water level at Bexar."

ARTICLE 2. ADMINISTRATIVE PROVISIONS

Sec. 2.01. CREATION OF AUTHORITY. (a) Creates, pursuant to Article III, Section 52, and Article XVI, Section 59, of the Texas Constitution, a district to be known as the Edwards Water Authority (authority), which is required to be a governmental agency and body politic and corporate of the State of Texas. Provides that the creation of such district is hereby determined to be essential to the accomplishment of the purposes of the Texas Constitution. Prohibits the necessity of a confirmation election.

(b) Prohibits this Act from being construed as authorizing the authority to levy or collect taxes or assessments or in any way to pledge the credit of the state.

(c) Provides that the power to appropriate the use of surface water in the district remains vested in the state. Provides that the power to regulate the use of groundwater in the state remains vested in water districts holding the powers granted by Chapter 52, Water Code, or special act. Prohibits the authority from regulating the use of groundwater except as necessary under Subsection (b) of Section 3.01 of this Act.

Sec. 2.02. DESCRIPTIONS. Sets forth the authority's territorial boundaries. Declares that all the area included in the district will be benefited by the exercise of the powers conferred by this Act.

Sec. 2.03. BOARD. (a) Provides that the authority's powers, rights, duties, and functions are exercised by a board of directors.

(b) Requires the authority to be governed by a board of directors composed of 15 members.

(c) Sets forth the composition of the board.

(d) Requires the appointments of the directors to be made within 30 days of the effective date of this Act and each year thereafter as required. Where multiple jurisdictions cooperate to appoint directors, requires ballots to be furnished to the electors and the resulting appointments verified by the board. Provides that each county has one vote in the case of a joint appointment.

Sec. 2.04. QUALIFICATION OF DIRECTORS. Requires that a person must be a qualified voter of the locality which the person represents to be qualified to be appointed a director.

Sec. 2.05. TERMS OF DIRECTORS. (a) Provides that a director's term of office be three years commencing September 1.

(b) Requires selection of directors for the first board to be made promptly after this Act becomes effective and the initial directors to take office immediately on selection to serve until their successors take office.

(c) When a director's office becomes vacant by death, resignation, or removal, requires the unexpired term to be filled by appointment as in the case of the initial appointment.

(d) Sets forth the terms of the initial board of directors to provide for staggered terms.

Sec. 2.06. BONDS OF DIRECTORS. Sets forth certain duties that must be performed by a director to qualify for office.

Sec. 2.07. MEETINGS AND ACTIONS OF THE BOARD. Requires the board to meet at least once each year and is authorized to meet at any other time provided in its bylaws.

(b) Provides that a majority of the board constitutes a quorum. Provides that the vote of a majority of a quorum of directors is required for board action.

(c) Requires the board to adopt bylaws at its first meeting or as soon thereafter as possible.

Sec. 2.08. ORGANIZATION OF BOARD. (a) Requires the board to elect from its members a chairman, vice-chairman, secretary, and other officers it deems necessary.

(b) Requires the board's bylaws to prescribe the powers, duties, and procedures for removal from board office of officers that it elects.

Sec. 2.09. INTEREST IN CONTRACT. Requires a director who is financially interested in a contract to be executed by the authority for the purchase of property or the construction of facilities, to disclose that fact to the other directors and prohibits that director from voting on the acceptance of the contract.

Sec. 2.10. DIRECTOR'S COMPENSATION. (a) Provides that a director is entitled to receive an allowance of \$100 a day and reimbursement for certain actual and necessary expenses incurred.

(b) Prohibits a director from being entitled to receive a per diem allowance for more than 120 days in any one calendar year.

Sec. 2.11. GENERAL MANAGER. (a) Requires the board to employ a general manager for a term and salary set by the board.

(b) Provides that the general manager is the chief executive officer of the authority. Sets forth the general manager's responsibilities to the board that are under policies established by the board.

(c) Authorizes the board to discharge the general manager on a majority vote of all the qualified directors.

Sec. 2.12. MANAGER'S AND EMPLOYEES' BONDS. (a) Requires the general manager and each employee of the authority charged with the collection, custody, or payment of any money of the authority to execute a fidelity bond. Requires the board to approve the form, amount, and surety of the bond.

(b) Requires the authority to pay the premiums on the employees' bonds under this section and the directors' bonds under Section 2.06(c) of this Act.

Sec. 2.13. PRINCIPAL OFFICE. Requires the authority to maintain its principal office inside the district.

Sec. 2.14. RECORDS. (a) Requires the authority to keep complete and accurate accounts of its business transactions in accordance with generally accepted methods of accounting.

(b) Requires the authority to keep complete and accurate minutes of its meetings.

(c) Requires the authority to keep its accounts, contracts, documents, minutes, and other records at its principal office.

(d) Prohibits the board and its employees from disclosing any records that it has relating to trade secrets or economics of operation of industries or other private enterprises.

(e) Requires the authority to permit reasonable public inspection of its records during regular business hours, except as provided in Subsection (d).

Sec. 2.15. SEAL. Requires the authority to adopt a seal, the form of which it may alter from time to time.

Sec. 2.16. SUIT. Authorizes the authority to sue and be sued in its corporate name.

Sec. 2.17. SUPPORT OF THE AUTHORITY. (a) Provides that the fees required by this section are payable to the authority in the manner and for the purposes provided in this section.

(b) Requires every water district and water utility in the district to pay an assessment to the authority annually. Requires these assessments to be used first for the general support and management of the authority and then for support of the authority's research, studies, and evaluations. Requires the amount of each assessment to be determined by the authority based on the cost of operations benefitting each locality.

(c) Authorizes the authority to contract for and receive payments derived from local taxes, fees, or any other source to be spent according to the agreement of the parties.

ARTICLE 3. POWERS AND DUTIES

Sec. 3.01. GENERAL POWERS AND DUTIES. (a) Requires the authority to use its facilities and powers to accomplish the purpose of this Act.

(b) Requires the authority to function with the regulatory powers granted to districts created under Chapter 52, Water Code, and this Act over any territory within the district that is not served by a water district having the regulatory powers granted by Chapter 52, Water Code.

(c) Sets forth duties of the authority.

(d) Authorizes the board to cooperate with and request the assistance of the development board, the U.S. Geological Survey, local governments, other agencies of the U.S. government and the State of Texas in implementing the provisions of this Act.

(e) Requires the board, at least once each year and at any other time the board considers necessary, to have its staff and the staff of the development board, if necessary, to make a complete study of the groundwater situation within the district and determine the water level, rates of withdrawal, amounts of withdrawal, and other relevant information on which to base the authority's water management plan.

Sec. 3.02. WATER MANAGEMENT PLAN. (a) Requires the board to hold a hearing on the authority's water management plan on or before August 31 of each year. Requires the plan to consider conjunctive use of surface and groundwater, conservation, drought management, enhancement of spring flow, surface water development, reuse, bays and estuaries, and other matters necessary to implement state policy as directed by Acts of the legislature.

(b) Requires the board, in developing the authority's water management plan, to give priority to the proposals of the water districts and local governments within the district.

(c) Provides that the implementation of the water management plan is the responsibility of individual water districts, the authority when acting in the place of a local water district, water utilities, water permit holders, and local governments in cooperation with the authority or others as is appropriate.

(d) Requires the board to print a summary of its water management plan and furnish copies to any person on request.

Sec. 3.03. INSPECTIONS AND INVESTIGATIONS. Provides that the board and its agents and employees are entitled to access to all property within the district, to carry out technical and other investigations necessary to the implementation of this Act. Requires all persons entering private property on behalf of the board to observe the rules of operation in effect for employees of the owner.

Sec. 3.04. HEARINGS. Sets forth what the board is authorized to do.

Sec. 3.05. COURT REVIEW. (a) Provides that a person who is adversely affected by an act or order of the authority is entitled to mediation. If mediation fails to resolve the dispute, a person so affected is authorized to sue the authority in district court to set aside the act or order. Requires the suit to be filed within 60 days after the day on which the act or order took effect or the mediation ended.

(b) Provides that venue for suits under Subsection (a) of this section is in any county in the district.

Sec. 3.06. AUTHORITY OF WATER DISTRICTS. (a) Provides that taxation of property and regulation of the use of groundwater is vested in properly empowered local governments and water districts. Provides that nothing in this Act confers any power to tax property on the authority.

(b) Authorizes a water district to go in and on public and private property to carry out technical and other investigations necessary to the implementation of this Act. Requires a water district to transmit the results of its inspections to the authority.

Sec. 3.07. DROUGHT MANAGEMENT PLAN. (a) Provides that this drought management plan applies only to water in the Edwards and associated limestone formations within the Edwards Underground Water District and certain counties.

(b) Provides that there are five defined stages of drought severity and associated demand reductions. Requires the Edwards districts to begin the implementation of demand reduction measures with Stage I. Provides that each subsequent stage will be declared in progression. Provides that the five stages are declared when the preceding 12-month average rainfall at Uvalde and San Antonio is less than 80 percent of the historical annual average at these locations and when certain conditions are met.

Sec. 3.08. DEMAND REDUCTIONS IN WATER USE IN THE EDWARDS DISTRICTS. (a) Provides that water users should reduce the volume of water they use based on goals established for each stage and by implementing specific minimum demand reduction measures as described in their user drought management plans.

(b) Requires water purveyors with more than 35 connections to achieve certain reductions.

(c) Provides that the reduction goal percentage will be applied to the volume pumped by each user in 1984.

(d) Requires irrigators to reduce pumpage to two acre-feet per acre in any 12 consecutive months in Stage V.

Sec. 3.09. USER DROUGHT MANAGEMENT PLAN. (a) Requires water purveyors serving more than 35 connections and individual private well owners who use more than 50,000 gallons per day to prepare, adopt, and implement user drought management plans consistent with this Act. Requires all plans to be approved by the appropriate Edwards district. Provides that irrigation users are not required to submit plans.

(b) On receiving notification from the Edwards districts that drought response measures are required, requires users to initiate action according to their approved user drought management plans. Requires users to also enforce use restrictions in their respective service areas or operations.

(c) Sets forth what the user drought management plans must include.

(d) Prohibits water waste in any of the five stages. Provides that water waste is any use which allows water to run off into a gutter, ditch, or drain or the failure to repair a controllable leak.

Sec. 3.11. EMERGENCY FUND. Requires the drought management plan to include an emergency management fund supported by users of water utilities and industrial users of water from the Edwards Aquifer. Requires the fund to provide compensation for crop losses necessitated by emergency management of irrigation under the authority's water management plan in times of drought. Requires the plan to be administered by the development board and authorizes it to be funded by obligations of the development board supported by the pledge of water user fees.

Sec. 3.12. ACQUISITION, CONSTRUCTION, AND OPERATION. (a) Sets forth what the authority is authorized to do.

Sec. 3.13. CONTRACTS FOR WATER. (a) Authorizes the authority to contract for, store, and sell water that it acquires or collects.

Sec. 3.14. SALE OF WATER AND BY-PRODUCTS. (a) Authorizes the authority to store and sell water that it acquires or collects. Provides that groundwater acquired by the authority and transported in a watercourse is appropriated for use by the authority. Authorizes the Texas Water Commission (commission), by rule, to restrict this appropriation by a factor recognizing evapotranspiration stream losses.

(b) Authorizes water right holders to contract with the authority for the sale and transport of state water within the district. Provides that a contract with the authority is evidence of beneficial use of state water for the purposes of compliance with the Water Code.

(c) Prohibits the transport of water within the district by persons other than the authority. Prohibits the transport of water to points outside the district unless corresponding supplies of water are made available for use within the district by the parties being served. Provides that nothing in this subsection restricts the movement of potable water by a utility in its certificated service area.

(d) Prohibits any local government, water utility, or water district located in the district from acquiring a water supply outside its boundaries except through contract with the authority.

Sec. 3.15. PERMITS FROM TEXAS WATER COMMISSION. (a) For the purpose of maintaining established water quality standards in the bays and estuaries within the district or other lawful purpose, authorizes the authority to apply to the commission for water appropriation permits.

(b) Authorizes the authority to apply for water storage or use permits from the commission to store and sell state water.

Sec. 3.16. EMINENT DOMAIN. Authorizes the authority to acquire property of any kind within or outside the district, appropriate for the exercise of its functions, through the exercise of the power of eminent domain under the provisions of Title 52, V.T.C.S., as amended.

Sec. 3.17. RELOCATION OF FACILITIES. Requires in the event that the authority, in the exercise of the power of eminent domain or power of relocation or any other power, makes necessary the relocation, raising, rerouting, changing the grade of, or altering the construction of any highway, railroad, electric transmission line, telephone or telegraph properties and facilities, or pipelines, all such necessary relocation, raising, rerouting, change in grade, or alteration of construction to be accomplished at the sole expense of the authority. Defines "sole expense."

Sec. 3.18. USE OF PUBLIC EASEMENTS. Requires the authority to have the right, power, and authority to use any and all public roadways, streets, alleys, or public easements within or outside the district in the accomplishment of its purposes, without the necessity of securing a franchise.

Sec. 3.19. ACQUISITION AND DISPOSITION OF PROPERTY. (a) Authorizes the authority to purchase, lease, acquire by gift, maintain, use, and operate property of any kind appropriate for the exercise of its functions.

(b) Authorizes the board to sell to the highest bidder at a public or private sale or to exchange any property or land owned by the authority which is not required to carry out the plans of the authority. Requires the authority to give notice of the intent to sell by publishing notice once a week for two consecutive weeks in one or more newspapers with general circulation in the district before either a public or a private sale of property or land not required for the authority's plans.

Sec. 3.20. FACILITIES. Authorizes the authority to acquire in any lawful manner, construct, extend, improve, maintain, reconstruct, use, and operate any facilities necessary or convenient to the exercise of its powers, rights, and functions.

Sec. 3.21. CONTRACTS GENERALLY. (a) Authorizes the authority to make contracts and execute instruments that are necessary or convenient to the exercise of its powers, rights, duties, and functions. Authorizes a contract to be for any term not to exceed 50 years.

(b) Requires any construction or repair contract, contract for the purchase of material, equipment, or supplies, or any contract for services, other than technical, scientific, legal, fiscal, or other professional services, to be awarded to the lowest and best bidder for the contract after publication of a notice to bidders once each week for three consecutive weeks before the date set for awarding the contract if the contract will require an estimated expenditure of more than \$25,000 or if the contract is for a term of more than five years. Authorizes the authority, in the event of an emergency, to let such contracts as are necessary to protect and preserve the public health and welfare or the properties of the authority without such bidding procedures.

(c) Provides that the notice is sufficient if it states certain information.

(d) Requires publication of the notice to be in a newspaper having general circulation in the county or counties in which the contract is to be performed. Authorizes, in addition to publishing the notice in a newspaper having general circulation, the notice to also be published in any other appropriate publication.

(e) Requires anyone desiring to bid on the construction of any work advertised, on written application to the board, to be furnished with a copy of the plans and specifications or other engineering and architectural documents showing the work to be done and all the details, provided that a charge may be made for the documents to cover the cost of reproduction. Requires all bids to do any work to be in writing, be sealed and delivered to the board, and be accompanied by a certified check drawn on some responsible bank in the state or a bid bond from a company approved by the board, for at least one percent of the total amount bid. Requires the amount of the check or bond to be forfeited to the authority in the event the successful bidder fails or refuses to enter into a proper contract therefor or fails or refuses to furnish the bond therefor as required by law. Authorizes the board to reject any or all bids.

(f) Requires bids to be opened at the place specified in the published notice and to be announced by the board. Requires the place where the bids are opened and announced always to be open to the public.

(g) Authorizes the contract price of all construction contracts of the authority to be made in partial payments as the work progresses. Prohibits payments from exceeding 90 percent of the amount due at the time of the payment as shown by the report of the general manager of the authority. Requires the board, at all times, during the progress of the work, to inspect the same or cause the same to be inspected by the general manager or his assistants. Requires the board, on the completion of any contract, in accordance with its terms, to pay the balance due.

(h) Requires the person, firm, or corporation to whom the contract is let to provide the performance and payment bonds required by law.

(i) Provides that the provisions of this section do not prohibit the authority from purchasing surplus property from the U.S. government by negotiated contract and without the necessity for advertising bids.

(j) Requires an officer, agent, or employee of the authority, who is financially interested in a contract of a type enumerated in Subsection (b) of this section, to disclose that fact to the board before the board votes on the acceptance of the contract.

(k) Prohibits the necessity of submitting contracts between the authority and any city or town to the electorate, notwithstanding any provision of any charter of any city or town.

(l) Sets forth what the authority, all persons, public agencies and local governments are authorized to do with respect to this Act. Requires this subsection to be wholly sufficient authority within itself for certain acts.

Sec. 3.22. COOPERATIVE AGREEMENTS. Authorizes the authority to enter into cooperative agreements with other local governments, water districts, state agencies, or agencies of the U.S. government. Sets forth what cooperative agreements include but are not limited to.

Sec. 3.23. REUSE AUTHORIZED. (a) Requires any regulation affecting the withdrawal of water from the Edwards Aquifer to allow for credit to be given for the certified reuse of aquifer water. Sets forth what the authority must certify for regulatory credit.

(b) Provides that water withdrawn from the Edwards Aquifer and returned to a water course by a municipal or industrial user under a wastewater discharge permit is appropriated to the discharging user for reuse if certain conditions are met.

Sec. 3.24. RIGHTS NOT AFFECTED. (a) Provides that contracts of the Lavaca-Navidad River Authority, to supply water from surface water supplies to local governments, or other public entities outside the boundaries of the district, are

exempt from and not affected by the provisions of this Act. Prohibits the Lavaca-Navidad River Authority from being exempt from other applicable provisions of this Act.

(b) Provides that the anticipated development of methods and structures to enhance recharge of the Edwards Aquifer may impair or otherwise affect existing or future water supply projects in certain river basins. Provides that it is necessary to maximize the benefits of existing and future water supply projects for highest and best use of the entire water resource. Prohibits the commission from imposing or enforcing any condition on the use of state water that results in a reduction of the firm yield of a water supply project in certain river basins.

ARTICLE 4. GENERAL FISCAL PROVISIONS

Sec. 4.01. DISBURSEMENT OF FUNDS. Provides that the authority's money is disbursable only by check, draft, order, or other instrument signed by the person or persons authorized to do so by the board's bylaws or by resolution of the board.

Sec. 4.03. LOANS AND GRANTS. (a) Authorizes the authority to borrow money for its corporate purposes.

(b) Authorizes the authority to borrow money and accept grants from private sources, the U.S. government, the state, and local governments. Authorizes the authority to enter into any agreement in connection with the loan or grant which is not in conflict with the constitution and laws of this state.

(c) Provides that the sources of any funds accepted by the authority are public information, as to both the amount and any restrictions placed by the donor on their expenditure.

Sec. 4.04. FISCAL YEAR. Requires the authority's fiscal year to be established by the board.

Sec. 4.05. INDEPENDENT AUDIT. (a) Requires the authority to keep a complete system of accounts. Requires an audit of its affairs for each year to be prepared by an independent certified public accountant or a firm of independent certified public accountants of recognized integrity and ability selected by the board. Requires the cost of the audit to be paid by the authority.

(b) Requires the authority to file copies of the independent audit with the governor, the development board, and the commissioners court of each county in the district. Requires the board to keep at least one copy of the audit at the office of the authority open to inspection by any interested person during normal office hours.

Sec 4.06. DEPOSITORY BANKS. (a) Requires the board to designate one or more banks within the district to serve as depository for the funds of the authority. Requires all funds of the authority to be deposited in the depository bank or banks. Authorizes bond proceeds and funds pledged to pay bonds to be deposited with the trustee bank named in the trust indenture to the extent provided in a trust indenture. Requires that funds be remitted to the bank of payment for the payment of principal of and interest on bonds. Provides that, to the extent funds in the depository banks or a trustee bank are not invested or insured by the F.D.I.C., those funds shall be secured in the manner provided by law for the security of county funds.

(b) Requires the board to issue a notice stating the time and place when and where the board will meet, and invite the banks in the district to submit applications to be designated depositories, before designating a depository bank or banks. Requires the term of service for depositories to be prescribed by the board. Requires the notice to be published one time in a newspaper of general circulation in the district and specified by the board, or, in lieu of such publication, authorizes a copy of the notice to be mailed to each bank in the district.

(c) Requires the board to consider the applications and the management and condition of the banks filing them at the time mentioned in the notice. Requires the board to designate as depositories, the bank or banks which offer the most favorable terms and conditions for the handling of the funds of the authority and which the board finds have proper management and are in condition to warrant handling of authority funds. Prohibits membership on the board of an officer

or director of a bank from disqualifying the bank from being designated as depository.

(d) Requires the board to designate some bank or banks within or outside the district on such terms and conditions as it may find advantageous to the authority, if no applications are received by the time stated in the notice.

ARTICLE 5. BOND AND TAX PROVISIONS

Sec. 5.01. BONDS. (a) Empowers the authority to issue bonds secured by a pledge of all or part of the revenues accruing to the authority, including without limitation those received from the sale of water or other products, rendition of service, tolls, charges, and all other sources, for the purpose of carrying out any power or authority conferred by this Act, including the expense of preparing the master plan and the payment of engineering and other expenses in connection therewith.

(b) Sets forth conditions the bonds must meet.

(c) Authorizes bonds to be issued in more than one series. Authorizes any pledge of revenues to reserve the right, under conditions specified, to issue additional bonds which will be on a parity with or be secured by a lien senior to or subordinate to the bonds then being issued.

(d) Authorizes the resolution authorizing the bonds or the trust indenture further securing such bonds to specify additional provisions which shall constitute a contract between the authority and its bondholders. Requires the board to have full discretion in providing for such additional provisions including the authority to provide for a corporate trustee or receiver to take possession of facilities of the authority in the event of default on the part of the authority in fulfilling the covenants made.

Sec. 5.02. REFUNDING BONDS. Authorizes the authority to issue refunding bonds for the purpose of refunding any outstanding bonds authorized by this Act plus interest. Authorizes refunding bonds to be issued to refund one or more series of outstanding bonds and combine the pledges for the outstanding bonds for the security of the refunding bonds and to be secured by additional revenues. Requires the provisions of this law, with reference to the issuance by the authority of other bonds, their security, and their approval by the attorney general and the remedies of the holders, to be applicable to refunding bonds. Requires refunding bonds to be registered by the comptroller on surrender and cancellation of the bonds to be refunded. Provides that in lieu of the resolution authorizing their issuance, the refunding bonds are authorized to be sold and the proceeds deposited in the bank where the original bonds are payable, in which case the refunding bonds are authorized to be issued in an amount sufficient to pay the principal of and the interest on the original bonds to their option date or maturity date. Requires the comptroller to register them without concurrent surrender and cancellation of the original bonds.

Sec. 5.03. APPROVAL AND REGISTRATION OF BONDS. Requires bonds, including refunding bonds, that are authorized by the authority, and the record relating to their issuance to be submitted to the attorney general for examination as to the validity of them. Requires a copy of the contract and the proceedings of the city or other governmental agency, authority, or district authorizing the contract to be sent to the attorney general if the bonds are secured by a pledge of the proceeds of a contract made between the authority and any city or other governmental agency, authority, or district. Requires the attorney general to approve the bonds and such contracts if such bonds have been authorized and such contracts have been made in accordance with the constitution and laws of the state. Requires the bonds to be registered by the comptroller of public accounts. Provides that, thereafter, the bonds and the contracts, if any, are valid and binding and are incontestable for any cause.

Sec. 5.04. BONDS AUTHORIZED INVESTMENTS. Requires all bonds and refunding bonds of the authority to be declared legal, eligible, and authorized investments for certain entities. Requires such bonds and refunding bonds to be eligible to secure the deposit of any and all public funds of certain entities. Requires such bonds to be lawful and sufficient security for the deposits to the extent of the face value of the bonds when accompanied by all unmatured coupons appurtenant thereto.

Sec. 5.05. TAXES AND FEES. Authorizes taxes and fees to be levied by local governments in any manner and amount necessary, subject to all applicable laws, to carry out the purposes of this Act, to support the authority, or to fulfill any agreement with the authority.

ARTICLE 6. UNDERGROUND WATER CONSERVATION DISTRICTS

Sec. 6.01. PURPOSE AND POWER OF DISTRICT. Authorizes the authority to establish one or more underground water conservation districts for the purpose of accomplishing any of the purposes or exercising any of the powers, rights, privileges, or authority vested by Chapter 52, Water Code.

Sec. 6.02. ESTABLISHMENT OF DISTRICTS. (a) Authorizes underground water conservation districts to be established by the procedures contained in this section.

(b) Authorizes the authority to adopt a resolution containing certain duties to be performed in establishing the districts. Requires the authority to adopt a resolution calling for the creation of an underground water conservation district when it is requested by a local government or a group of 25 or more land owners in the proposed district.

(c) Sets forth who is authorized to conduct the public hearing. Provides that if someone other than a quorum of the board conducts the hearing, they shall have power to accept evidence and make recommendations on which the board may act. Authorizes the board to alter, modify, or change any provision of the resolution, calling for the creation of the proposed underground water conservation district subsequent to the public hearing, provided that certain conditions are met.

(d) Requires notice of public hearing to be published in a newspaper of general circulation within the proposed underground water conservation district once, at least 15 days and no more than 30 days prior to the public hearing.

(e) Requires all public hearings on creation of an underground water conservation district to be held within the boundaries of the proposed underground water conservation district. Authorizes the public hearings to be held concurrently or in connection with any other public hearing, meeting, or proceeding conducted by the board.

(f) Authorizes any interested person to appear at the public hearing and present evidence relevant to the matters set forth in the resolution calling for the creation of the proposed underground water conservation district. Requires all persons residing within or owning property within the proposed underground water conservation district to have the right to appear at the public hearing and present evidence with regard to whether they will receive benefits from the proposed improvements or taxation.

(g) Requires the board to review the findings and recommendations resulting from the public hearing and authorizes the board to adopt a resolution containing certain duties to be performed in creating a district.

(h) Provides that the resolution of the board creating an underground water conservation district is final and conclusive and is not subject to review by any court except on the basis of whether the resolution is supported by substantial evidence. Requires the resolution to be filed in the deed records of the county or counties where the territory within the underground water conservation district is situated. Requires any action or proceeding in which the validity of the board's resolution creating an underground water conservation district or of the proceedings relative to it is contested, questioned, or denied, to be commenced within 30 days from the effective date of the resolution. Requires the resolution and all proceedings relative to it, including the creation of the underground water conservation district, to be held valid and in every respect legal and incontestable.

Sec. 6.03. BOUNDARIES AND ADDITION OF TERRITORY. (a) Sets forth the boundaries an underground water conservation district is authorized to include.

(b) Sets forth conditions that will initiate proceedings for the annexation of territory to an existing underground water conservation district. Sets forth petition requirements. Sets forth public hearing requirements. Authorizes the board to adopt a resolution, if the board determines that the annexation should be accomplished; calling separate elections on the matter of annexation to be held within the existing underground water conservation district and within the territory to be annexed. Sets forth conditions that must be met for the annexation to become final. Requires the elections to conform to the Election Code. Requires the board's resolution canvassing the returns of the elections to redefine the boundaries of the underground water conservation district and be recorded in the deed records of the county within which the annexed territory lies.

(c) Sets forth proceeding requirements for the addition of territory to an existing underground water conservation district on which less than three qualified voters reside. Sets forth petition requirements. Sets forth public hearing requirements. Authorizes the board to adopt a resolution adding such territory, if the board determines that the addition should be accomplished. Sets forth requirements of the resolution. Requires the board's resolution canvassing the returns of the election or adding the territory to redefine the boundaries of the underground water conservation district and to be recorded in the deed records of the county within which the added territory lies.

Sec. 6.04. **TAXATION.** (a) Requires the authority to have authority to issue bonds as provided in Article 5 of this Act, if the qualified voters in the elections called pursuant to Section 6.02 or 6.03 authorize the underground water conservation district to incur indebtedness for the benefit of the authority. Requires taxes levied by the underground water conservation district for the purpose of making payments of the interest on or principal of the bonds to be levied only on taxable property within the underground water conservation district.

(b) Requires the maintenance tax to be levied only on taxable property within the underground water conservation district, if the qualified voters in the elections called pursuant to Section 6.02 or 6.03 of this Act authorize the underground water conservation district to levy and collect ad valorem taxes for the maintenance of the authority and its improvements.

Sec. 6.05. **BONDED INDEBTEDNESS.** Authorizes an underground water conservation district to incur any and all indebtedness necessary to provide all improvements and the maintenance requisite to the achievement of the purposes for which the underground water conservation district is organized. Authorizes the underground water conservation district to levy and collect all taxes necessary for the payment of the interest on the indebtedness and the creation of a sinking fund for the payment. Requires the taxes to be a lien on the property assessed for the payment.

SECTION 2. Amends Section 11.028, Water Code, as follows:

Sec. 11.028. **EXCEPTION.** Provides that any appropriation made after May 17, 1931, for any purpose other than domestic or municipal use is subject to the right of any city or town to make further appropriations of the water for domestic or municipal use. Deletes language relating to not paying for water.

SECTION 3. Amends Section 52.022(b), Water Code, as follows:

(b) Provides that the commission has exclusive jurisdiction over the delineation of management areas and the creation of districts under this subchapter except that the regional water management district known as the Edwards Water Authority has exclusive jurisdiction in the area served by that district.

SECTION 4. Amends Article 8280-219, V.T.C.S., by adding Section 3A, as follows:

Sec. 3A. Grants the district the powers of a district created and empowered under Chapter 52, Water Code.

SECTION 5. (a) Validates the creation of the Uvalde County Underground Water Conservation District and all resolutions, orders, and other acts or attempted acts of the board of directors of the district. Provides that the creation of the district and all resolutions, orders, and other acts or attempted acts of the board of directors of the district are valid as though they originally had been legally authorized or accomplished.

(b) Provides that this validation does not apply to or affect litigation pending on the effective date of this Act in any court of competent jurisdiction in this state to which the Uvalde County Underground Water Conservation District is a party.

SECTION 6. (a) Provides that a conservation and reclamation district to be known as the Kinney County Underground Water Conservation District, pursuant to Article XVI, Section 59, Texas Constitution, is created. Requires it to be a governmental agency and body politic and corporate of the State of Texas. Provides that the creation of the district is determined to be essential to the accomplishment of the purposes of Article XVI, Section 59, Texas Constitution. Provides that the powers, rights, and duties of a district created under Chapter 52, Water Code, are declared to be the powers, rights, and duties of the Kinney County Underground Water Conservation District.

(b) Provides that the territory of the district is Kinney County.

(c) Provides that a confirmation election under the provisions of Chapter 52, Water Code, is necessary.

SECTION 7. Requires the Edwards Water Authority to submit its water management plan to the Legislative Natural Resources Board for review each year. Requires the Texas Water Development Board to submit its comments on the water management plan to the legislature annually noting its exceptions and providing technical analysis of the plan's effectiveness.

(b) Provides that the Edwards Water Authority and the water districts within the territory of the authority are subject to a full review of the effectiveness of the management of water resources in the territory of the authority beginning in 1999. Provides that the review will be conducted by the Legislative Natural Resources Board and its formal report made to the legislature in 2001.

SECTION 8. Provides that the sum of \$250,000 is appropriated to the Edwards Water Authority from the water assistance fund administered by the Texas Water Development Board for the initial startup costs of the authority.

SECTION 9. (a) Provides that the proper and legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished by the constitution and other laws of this state, including the governor, who has submitted the notice and Act to the Texas Water Commission.

(b) Provides that the Texas Water Commission has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(c) Provides that all of the requirements of the Texas Constitution and laws of this state and the rules and procedures for the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 10. Effective date: September 1, 1993.

SECTION 11. Emergency clause.

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1370
By: Sims
Natural Resources
4-21-93
Committee Substitute

BACKGROUND

Conservation and management of groundwater is accomplished by local underground water conservation districts created under Chapter 52, Water Code. Conjunctive management of ground and surface water is stressed for the most beneficial and economic use of water resources.

PURPOSE

As proposed, C.S.S.B. 1370 creates the Edwards Aquifer Coordinating Board to provide management and technical assistance to local districts and to promote conservation and effective management of the Edwards Aquifer; creates the Kinney County Underground Water Conservation District; validates the creation of the Uvalde County Underground Water Conservation District; creates the Edwards Underground Water Conservation District; dissolves the Edwards Underground Water District and transfers all of its property and funds to the Edwards Underground Water Conservation District; and makes an appropriation of \$125,000 from the state water assistance fund to the Edwards Aquifer Coordinating Board.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. GENERAL PROVISIONS. (a) Purpose. Sets forth the purpose of this Act.

(b) Findings and Declaration of Policy. Sets forth the legislative findings and declares the intent of this Act.

(c) Definitions. Defines "aquifer," "board," "commission," "department," "local district," and "coordinating board."

SECTION 2. DEVELOPMENT OF A SUPPLEMENTAL SURFACE WATER SUPPLY. Requires cities with population of more than 250,000 located over the aquifer to develop surface water to reduce dependance on the Edwards Aquifer (aquifer) as a sole source of drinking water.

SECTION 3. MANAGEMENT OF THE EDWARDS AQUIFER. (a) Requires the Parks and Wildlife Department (department) to conduct a study to determine minimum springflow requirements for Comal and San Marcos Springs.

(b) Requires the Texas Water Development Board (board) to complete feasibility studies of methods to control springflow and to provide discharge from the springs during extended droughts.

(c) Requires the board to evaluate suggestions made at legislative hearings regarding means to artificially control spring flow from the aquifer.

(d) Requires the Edwards Aquifer Coordinating Board (coordinating board) to pay the department and the board, quarterly, 10 percent of the fees for the costs of studies and assistance until reimbursement is complete and to use 90 percent of the fees collected to manage springflow and to perform duties specified under SECTION 8 of this Act.

SECTION 4. CREATION OF THE KINNEY COUNTY UNDERGROUND WATER CONSERVATION DISTRICT. (a) Creation. Creates the Kinney County Underground Water Conservation District subject to confirmation elections in the district. Authorizes the district to exercise powers under: Article XVI, Chapter 59, Texas Constitution; this Act; and Chapter 52, Water Code.

(b) Definition. Defines "district."

(c) Boundaries. Sets forth the boundaries of the district.

(d) Finding of Benefit. Sets forth findings of public benefit.

(e) Purpose, Powers, and Duties of the District. Empowers the district with all the powers and duties provided by the general laws of this state including Chapters 50 and 52, Water Code, applicable to underground water conservation districts.

(f) Board of Directors. Provides that the district's board of directors is composed of five members who serve staggered four-year terms.

(g) Temporary Directors. Provides for the appointment of temporary directors and the filling of a vacancy.

(h) Confirmation and Initial Directors' Election. Requires the temporary board of directors to hold an election, confirm the district, and elect the district's initial five directors within 180 days of the effective date of this Act. Sets forth procedures for the confirmation and initial directors' election.

(i) Election of Local District Directors. Sets forth procedures for electing directors for staggered terms.

(j) Tax Rate. Prohibits the board of directors from levying a maintenance tax at a higher rate than that approved by the voters in the election authorizing the tax unless the voters approve a proposition authorizing a greater tax rate.

(k) Tax Allocation. Requires the district to allocate 25 percent of the taxes collected to the coordinating board to be used for the purposes set forth in SECTION 8(c) of this Act.

SECTION 5. VALIDATION OF THE CREATION OF THE UVALDE COUNTY UNDERGROUND WATER CONSERVATION DISTRICT. (a) Validates the creation of the Uvalde County Underground Water Conservation District as a governmental agency and body politic incorporate, authorized to exercise the powers provided by this Act and Chapter 52, Water Code.

(b) Definitions. Defines "district."

(c) Validation. Validates the creation of the district, resolutions, orders, and other acts of the board of directors of the district.

(d) Pending Litigation. Provides that his Act does not apply to pending litigation to which the district is a party.

(e) Tax Allocation. Requires the district to allocate 25 percent of the taxes collected to the coordinating board to be used for the purposes set forth in SECTION 8(c) of this Act.

SECTION 6. MEDINA UNDERGROUND WATER CONSERVATION DISTRICT. Requires the Medina Underground Water Conservation District to allocate 25 percent of the taxes collected to the coordinating board to be used for the purposes set forth in SECTION 8(c) of this Act.

SECTION 7. CREATION OF THE EDWARDS UNDERGROUND WATER CONSERVATION DISTRICT. (a) Amends Chapter 99, Acts of the 56th Legislature, Regular Session, 1959, by adding Section 19, as follows:

Sec. 19. DISSOLUTION OF EDWARDS UNDERGROUND WATER DISTRICT AND CONVERSION TO EDWARDS UNDERGROUND WATER CONSERVATION DISTRICT. Dissolves the Edwards Underground Water District and transfers all of its property and funds to the Edwards Underground Water Conservation District. Provides that the district is comprised of the portions of of Bexar, Comal, and Hays that are currently in the Edwards Underground Water District.

(b) Requires the existing directors of the Edwards Underground Water District to continue to serve as directors of the Edwards Underground Water Conservation District.

(c) Requires the Edwards Underground Water Conservation District to allocate 25 percent of the taxes collected to the coordinating board to be used for the purposes set forth in SECTION 8(c) of this Act.

SECTION 8. CREATION OF THE EDWARDS AQUIFER COORDINATING BOARD. (a) Creation. Creates the Edwards Aquifer Coordinating Board to provide management and technical assistance to local districts and to promote conservation and effective management of the aquifer. Authorizes the coordinating board to make recommendations to the local districts, but not implement any plans or programs itself.

(b) Members. Specifies the composition of the 12-member board.

(c) Purposes. Sets forth the purposes of the board.

(d) Powers. Sets forth the powers of the board.

SECTION 9. DROUGHT MANAGEMENT PLAN. Designates the drought management plan adopted by the Edwards Underground Water District on September 1, 1988, under Article 8280-219, V.T.C.S., as the drought management plan of the Edwards Aquifer Coordinating Board. Requires the coordinating board to implement and enforce the plan, and authorizes the coordinating board to amend the plan.

SECTION 10. MISCELLANEOUS PROVISIONS. (a) Findings Relating to Procedural Requirements. States that all procedural requirements relating to notice, introduction, and passage of this Act are fulfilled and accomplished.

(b) Appropriates \$125,000 to the coordinating board from the water assistance fund administered by the Water Development Board for funding studies set forth in SECTION 3 of this Act.

(c) Emergency clause.
Effective date: upon passage.